

FIRST TRUST SENIOR FLOATING RATE INCOME FUND II
Form N-Q
April 20, 2012

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 811-21539

First Trust Senior Floating Rate Income Fund II

(Exact name of registrant as specified in charter)

120 East Liberty Drive, Suite 400
Wheaton, IL 60187

(Address of principal executive offices) (Zip code)

W. Scott Jardine, Esq.
First Trust Portfolios L.P.
120 East Liberty Drive, Suite 400
Wheaton, IL 60187

(Name and address of agent for service)

Registrant's telephone number, including area code: 630-765-8000

Date of fiscal year end: May 31

Date of reporting period: February 29, 2012

Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (ss.ss. 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. ss. 3507.

ITEM 1. SCHEDULE OF INVESTMENTS. The Schedule(s) of Investments is attached

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herewith.

FIRST TRUST SENIOR FLOATING RATE INCOME FUND II
 PORTFOLIO OF INVESTMENTS (a) (b)
 FEBRUARY 29, 2012 (UNAUDITED)

| PRINCIPAL VALUE | DESCRIPTION | RATINGS (c) | | RATE (d) | S MAT |
|--|--|-------------|--------|-------------|----------|
| | | MOODY'S | S&P | | |
| SENIOR FLOATING-RATE LOAN INTERESTS - 148.4% | | | | | |
| ADVERTISING - 2.0% | | | | | |
| \$ 6,782,749 | Clear Channel Communications, Inc., Term Loan B | Caa1 | CCC+ | 3.89% | 01 |
| 1,990,000 | Mood Media Corp., Term Loan, First Lien | Ba3 | B | 7.00% | 05 |
| AEROSPACE & DEFENSE - 5.2% | | | | | |
| 1,907,241 | Aeroflex, Inc., Term Loan B | B1 | BB- | 4.25% | 05 |
| 1,582,109 | DAE Aviation Holdings, Inc., Term Loan B1 | B2 | B | 5.56% | 07 |
| 1,512,254 | DAE Aviation Holdings, Inc., Term Loan B2 | B2 | B | 5.41%-5.56% | 07 |
| 4,209,323 | DynCorp International, Inc., Term Loan | Ba2 | BB- | 6.25% | 07 |
| 1,403,176 | Robertson Fuel Systems, LLC, Term Loan | NR (f) | NR (f) | 3.02%-5.00% | 04 |
| 3,972,950 | TASC, Inc., Term Loan B | Ba2 | BB | 4.50% | 12 |
| 2,970,000 | Transdigm, Inc., Term Loan B | Ba2 | BB- | 4.00% | 02 |
| 1,670,000 | Transdigm, Inc., Term Loan B2 | Ba2 | BB- | 4.00% | 02 |
| AGRICULTURAL PRODUCTS - 1.1% | | | | | |
| 1,401,468 | Dole Food Company, Inc., Term Loan B2 | Ba2 | BB- | 5.00%-6.00% | 07 |
| 2,602,727 | Dole Food Company, Inc., Term Loan C2 | Ba2 | BB- | 5.00%-6.00% | 07 |
| ALTERNATIVE CARRIERS - 3.0% | | | | | |
| 5,955,000 | Intelsat Jackson Holdings S.A., Term Loan B | B1 | BB- | 5.25% | 04 |
| 1,000,000 | Level 3 Financing, Inc., Term Loan A..... | Ba3 | B+ | 2.50%-2.83% | 03 |
| 4,000,000 | Level 3 Financing, Inc., Term Loan B2..... | Ba3 | B+ | 5.75% | 09 |
| APPAREL RETAIL - 1.1% | | | | | |

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| | | | | | |
|-----------------------------|---|-----|-----|-------|----|
| 4,000,000 | Neiman Marcus Group, Term Loan | B2 | BB- | 4.75% | 05 |
| APPLICATION SOFTWARE - 4.2% | | | | | |
| 2,475,000 | CCC Information Systems, Inc., Term Loan B | B1 | BB- | 5.50% | 11 |
| 2,400,000 | DataTel, Inc., Term Loan B | B1 | B+ | 6.25% | 07 |
| 3,980,000 | Eagle Parent, Inc., Term Loan B | Ba3 | B+ | 5.00% | 05 |

See Notes to Quarterly Portfolio of Investments

Page 1

FIRST TRUST SENIOR FLOATING RATE INCOME FUND II
PORTFOLIO OF INVESTMENTS (a) (b) - (CONTINUED)
FEBRUARY 29, 2012 (UNAUDITED)

| PRINCIPAL VALUE | DESCRIPTION | RATINGS (c) | | RATE (d) | S MAT |
|---|--|-------------|--------|-------------|----------|
| | | MOODY'S | S&P | | |
| SENIOR FLOATING-RATE LOAN INTERESTS - (CONTINUED) | | | | | |
| APPLICATION SOFTWARE - (CONTINUED) | | | | | |
| \$ 1,980,000 | Property Data, Inc., Term Loan | Ba3 | B+ | 7.00% | 01 |
| 2,487,500 | Trizetto Group, Inc., Term Loan B | B1 | BB- | 4.75% | 05 |
| 2,481,250 | Verint Systems, Inc., Term Loan B, First Lien | B1 | B+ | 4.50% | 10 |
| ASSET MANAGEMENT & CUSTODY BANKS - 5.2% | | | | | |
| 1,270,237 | Grosvenor Capital Management Holdings, LLP, Term Loan | NR (f) | NR (f) | 4.31% | 12 |
| 2,857,143 | Hamilton Lane Advisors, Term Loan B | NR (f) | NR (f) | 6.50% | 03 |
| 2,095,812 | Harbourvest Partners L.P., Term Loan B | NR (f) | NR (f) | 6.25% | 12 |
| 3,058,419 | Mondrian Investment Partners Ltd., Term Loan B | Ba2 | BB | 5.50% | 07 |
| 1,203,333 | Munder Capital Management, Incremental Term Loan | NR (f) | NR (f) | 6.00% | 03 |
| 6,704,791 | Nuveen Investments, Inc., Extended Term Loan | B2 | B | 5.74%-5.83% | 05 |
| 2,000,000 | Nuveen Investments, Inc., Incremental Term Loan | B2 | B | 7.25% | 05 |
| AUTO PARTS & EQUIPMENT - 3.7% | | | | | |
| 3,970,000 | HHI Holdings, LLC, Term Loan B | B2 | B+ | 7.00%-7.75% | 03 |
| 3,970,000 | Metaldyne, LLC, Term Loan B | B1 | B+ | 5.25% | 05 |
| 2,000,000 | Schaeffler AG, Term Loan C2 | B1 | B | 6.00% | 02 |
| 1,822,386 | Tomkins, PLC, Term Loan B | Ba2 | BB | 4.25% | 09 |
| 1,980,000 | Transtar Holding Co., Term | | | | |

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|-----------|---|-----|-----|-------|----|
| | Loan, First Lien | Ba3 | BB- | 4.50% | 12 |
| | AUTOMOBILE MANUFACTURERS - 0.8% | | | | |
| 3,000,000 | Chrysler Group, LLC, Term Loan B | Ba2 | BB | 6.00% | 05 |
| | AUTOMOTIVE RETAIL - 1.2% | | | | |
| 2,487,500 | KAR Holdings, Inc., Term Loan B | Ba3 | BB- | 5.00% | 05 |
| 1,942,737 | Pilot Travel Centers, LLC, Term Loan B | Ba2 | BB+ | 4.25% | 03 |

Page 2 See Notes to Quarterly Portfolio of Investments

FIRST TRUST SENIOR FLOATING RATE INCOME FUND II
PORTFOLIO OF INVESTMENTS (a) (b) - (CONTINUED)
FEBRUARY 29, 2012 (UNAUDITED)

| PRINCIPAL VALUE | DESCRIPTION | RATINGS (c) | | RATE (d) | S MAT |
|---|---|-------------|------|----------|----------|
| | | MOODY'S | S&P | | |
| SENIOR FLOATING-RATE LOAN INTERESTS - (CONTINUED) | | | | | |
| | BIOTECHNOLOGY - 1.6% | | | | |
| \$ 5,803,000 | Grifols, SA, Term Loan B | Ba3 | BB | 4.50% | 06 |
| | BROADCASTING - 6.3% | | | | |
| 2,000,000 | Cumulus Media Holdings, Inc., Term Loan, First Lien | Ba2 | BB- | 5.75% | 09 |
| 1,000,000 | Cumulus Media Holdings, Inc., Term Loan, Second Lien | B2 | CCC+ | 7.50% | 03 |
| 4,137,762 | FoxCo Acquisition, LLC, Term Loan B | B1 | BB | 4.75% | 07 |
| 1,343,325 | Gray Television, Inc., Term Loan B | B2 | B | 3.77% | 12 |
| 1,492,500 | Hubbard Radio, LLC, Term Loan | Ba3 | B+ | 5.25% | 04 |
| 2,142,857 | LIN Television Corp., Term Loan B | Ba3 | BB- | 5.00% | 01 |
| 1,990,000 | Raycom TV Broadcasting, LLC, Term Loan B | NR | NR | 4.50% | 06 |
| 821,111 | Sinclair Broadcasting Group, Inc., Term Loan B | Ba1 | BB+ | 4.00% | 10 |
| 1,449,664 | Sinclair Broadcasting Group, Inc., Term Loan B2..... | Ba1 | BB+ | 4.00% | 10 |
| 1,550,336 | Sinclair Broadcasting Group, Inc., Term Loan B3..... | Ba1 | BB+ | 4.00% | 10 |
| 3,541,272 | Univision Corp., Extended Term Loan | B2 | B+ | 4.49% | 03 |
| 2,063,621 | Univision Corp., Term Loan | B2 | B+ | 2.24% | 09 |

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|-----------|--|------|------|-------|----|
| | BUILDING PRODUCTS - 0.8% | | | | |
| 3,000,000 | Unifrax, LLC, Term Loan B | B2 | B+ | 7.00% | 11 |
| | CABLE & SATELLITE - 3.4% | | | | |
| 1,980,000 | Bresnan Broadband Holdings, LLC, Term Loan B | Ba3 | BB+ | 4.50% | 12 |
| 1,166,667 | Cequel Communications Holdings I, LLC, Term Loan B | Ba2 | BB- | 4.00% | 02 |
| 2,563,019 | CSC Holdings, Inc., Term Loan B3, Extended Maturity | Baa3 | BBB- | 1.99% | 03 |
| 2,916,667 | Kabel Deutschland, Term Loan F | Ba2 | BB- | 4.25% | 01 |
| 1,980,000 | Knology, Inc., Term Loan B | B1 | B+ | 4.00% | 08 |
| 1,909,091 | UPC Financing Partnership, Term Loan A | Ba3 | B+ | 4.75% | 12 |

See Notes to Quarterly Portfolio of Investments

Page 3

FIRST TRUST SENIOR FLOATING RATE INCOME FUND II
PORTFOLIO OF INVESTMENTS (a) (b) - (CONTINUED)
FEBRUARY 29, 2012 (UNAUDITED)

| PRINCIPAL VALUE | DESCRIPTION | RATINGS (c) | | RATE (d) | S MAT |
|---|---|-------------|------|----------|----------|
| | | MOODY'S | S&P | | |
| SENIOR FLOATING-RATE LOAN INTERESTS - (CONTINUED) | | | | | |
| | CASINOS & GAMING - 5.2% | | | | |
| \$ 1,985,000 | Ameristar Casinos, Inc., Term Loan B | Ba3 | BB+ | 4.00% | 04 |
| 2,879,939 | CCM Merger, Inc., Term Loan B | B3 | B+ | 7.00% | 03 |
| 8,000,000 | Harrah's Entertainment, Inc., Term Loan B2 | B3 | B | 3.24% | 01 |
| 1,980,000 | Isle of Capri Casinos, Term Loan B | Ba3 | BB- | 4.75% | 03 |
| 2,000,000 | ROC Finance, LLC, Term Loan | Ba3 | BB- | 8.50% | 08 |
| 3,000,000 | Wynn Las Vegas, LLC, Term Loan B1 | Ba2 | BBB- | 3.25% | 08 |
| | COAL & CONSUMABLE FUELS - 0.8% | | | | |
| 2,856,778 | Walter Energy, Inc., Term Loan B | B1 | BB- | 4.00% | 04 |
| | COMMERCIAL PRINTING - 0.7% | | | | |
| 2,737,105 | Cenveo Corp., Term Loan | Ba3 | BB- | 6.25% | 12 |

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|-----------|--|-----|-----|-------------|----|--|
| | COMMODITY CHEMICALS - 0.8% | | | | | |
| 659,341 | Tronox, Inc., Delayed Draw | | | | | |
| | Term Loan | Ba2 | BB+ | 1.00% | 01 | |
| 2,417,582 | Tronox, Inc., Term Loan | Ba2 | BB+ | 4.25% | 01 | |
| | COMMUNICATIONS EQUIPMENT - 0.8% | | | | | |
| 2,987,475 | Commscope, Inc., Term | | | | | |
| | Loan B | Ba3 | BB | 5.00% | 01 | |
| | COMPUTER HARDWARE - 1.0% | | | | | |
| 3,697,309 | CDW, LLC, Extended Term Loan..... | B2 | B | 4.00% | 07 | |
| | CONSTRUCTION & ENGINEERING - 1.1% | | | | | |
| 3,995,000 | Terex Corp., Term Loan | Ba2 | BB | 5.50% | 04 | |
| | CONSUMER FINANCE - 0.9% | | | | | |
| 1,900,000 | Ocwen Financial Corp., Term | | | | | |
| | Loan | B1 | B | 7.00% | 09 | |
| 1,500,000 | Ocwen Financial Corp., Term | | | | | |
| | Loan B | B1 | B | 7.00% | 09 | |
| | DATA PROCESSING & OUTSOURCED SERVICES - 1.6% | | | | | |
| 785,714 | Global Cash Access, Inc., | | | | | |
| | Term Loan | B1 | BB | 7.00% | 03 | |
| 5,690,784 | Harland Clarke Holdings | | | | | |
| | Corp., Term Loan B | B1 | B+ | 2.74%-3.08% | 06 | |

Page 4

See Notes to Quarterly Portfolio of Investments

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 PORTFOLIO OF INVESTMENTS (a) (b) - (CONTINUED)
 FEBRUARY 29, 2012 (UNAUDITED)

| PRINCIPAL VALUE | DESCRIPTION | RATINGS (c) | | RATE (d) | S MAT |
|---|--------------------------------------|-------------|-----|----------|----------|
| | | MOODY'S | S&P | | |
| SENIOR FLOATING-RATE LOAN INTERESTS - (CONTINUED) | | | | | |
| | DIVERSIFIED CHEMICALS - 1.6% | | | | |
| \$ 105,936 | Ineos Group Ltd., Term Loan C2 | Ba3 | B | 8.00% | 12 |
| 5,940,000 | Univar, Inc., Term Loan B | B2 | B+ | 5.00% | 06 |

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|-----------|---|-----|-----|-------------|----|
| 1,980,000 | DIVERSIFIED SUPPORT SERVICES - 0.5% Brickman Group Holdings, Inc., Term Loan B | B1 | B+ | 7.25% | 10 |
| 3,241,410 | ELECTRIC UTILITIES - 0.5% Texas Competitive Electric Holdings Company, LLC, Term Loan B3 | B2 | CCC | 3.76% | 10 |
| 5,646,429 | ENVIRONMENTAL & FACILITIES SERVICES - 2.1% EnergySolutions, LLC, Term Loan | Ba3 | BB+ | 6.25% | 08 |
| 1,985,000 | Waste Industries USA, Inc., Term Loan B | B1 | B+ | 4.75% | 03 |
| 1,500,000 | FOOD DISTRIBUTORS - 0.4% General Nutrition Centers, Inc., Term Loan B | Ba3 | BB- | 4.25% | 03 |
| 6,946,478 | HEALTH CARE EQUIPMENT - 2.6% Carestream Health, Inc., Term Loan B | B1 | BB- | 5.00% | 02 |
| 2,961,440 | DJO Finance, LLC, Term Loan | Ba2 | BB- | 3.24% | 05 |
| 2,539,319 | HEALTH CARE FACILITIES - 7.4% CHS/Community Health Systems, Inc., Extended Term Loan | Ba3 | BB | 3.99%-5.75% | 01 |
| 2,984,642 | Golden Living Drumm Investors, LLC, Term Loan | B1 | B+ | 5.00% | 05 |
| 3,291,558 | HCA, Inc., Term Loan B-2 | Ba3 | BB | 3.83% | 03 |
| 1,736,875 | HCR ManorCare, LLC, Term Loan B | Ba3 | B+ | 5.00% | 04 |
| 3,181,818 | Health Management Associates, Inc., Term Loan B | Ba3 | BB- | 4.50% | 11 |
| 3,482,500 | Kindred Healthcare, Inc., Term Loan B | Ba3 | B+ | 5.25% | 06 |

See Notes to Quarterly Portfolio of Investments

Page 5

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PORTFOLIO OF INVESTMENTS (a) (b) - (CONTINUED)
FEBRUARY 29, 2012 (UNAUDITED)

| PRINCIPAL VALUE | DESCRIPTION | RATINGS (c) | | RATE (d) | S MAT |
|--------------------|-------------|-------------|-----|----------|----------|
| | | MOODY'S | S&P | | |

SENIOR FLOATING-RATE LOAN INTERESTS - (CONTINUED)

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| | | | | | | |
|----|--------------------------------------|--|--------|--------|-------------|----|
| | HEALTH CARE FACILITIES - (CONTINUED) | | | | | |
| \$ | 2,985,000 | Select Medical Corp., Term Loan B..... | Ba3 | BB- | 5.50%-6.00% | 06 |
| | 1,990,000 | Surgical Care Affiliates, Inc., Term Loan B | Ba3 | B | 5.50% | 06 |
| | 5,895,784 | Vanguard Health Systems, Inc., Term Loan B | Ba2 | BB- | 5.00% | 01 |
| | HEALTH CARE SERVICES - 7.3% | | | | | |
| | 1,995,000 | Alere, Inc., Term Loan B | Ba3 | BB- | 4.50% | 06 |
| | 2,000,000 | Alere, Inc., Term Loan B1 | Ba3 | BB- | 4.50% | 06 |
| | 3,750,000 | Emdeon Business Services, LLC, Term Loan B | Ba3 | BB- | 6.75% | 10 |
| | 4,962,500 | Emergency Medical Services Corp., Term Loan B | B1 | B+ | 5.25% | 05 |
| | 3,691,966 | Gentiva Health Services, Inc., Term Loan B | B1 | B | 4.75% | 08 |
| | 1,900,000 | Healthways, Inc., Term Loan B | Ba3 | BB | 1.75% | 12 |
| | 2,278,150 | MedAssets, Inc., Term Loan B | Ba3 | BB- | 5.25% | 11 |
| | 2,987,494 | Rural Metro Corp., Term Loan, First Lien | Ba3 | B+ | 5.75% | 06 |
| | 1,975,000 | Sheridan Healthcare, Inc., Incremental Term Loan | B1 | B+ | 3.99% | 06 |
| | 203,720 | Vantage Oncology Holdings, LLC, Delayed Draw Term Loan | B2 | B | 6.25% | 01 |
| | 1,676,862 | Vantage Oncology Holdings, LLC, Term Loan | B2 | B | 6.25% | 01 |
| | HEALTH CARE SUPPLIES - 0.5% | | | | | |
| | 1,980,000 | ConvaTec, Inc., Term Loan B | Ba3 | B+ | 5.75% | 12 |
| | HEALTH CARE TECHNOLOGY - 0.4% | | | | | |
| | 1,590,909 | Kinetic Concepts, Inc., Term Loan B | Ba2 | BB- | 7.00% | 04 |
| | HOME ENTERTAINMENT SOFTWARE - 1.3% | | | | | |
| | 2,985,000 | DG Fastchannel, Inc., Term Loan B | B1 | BB- | 5.75% | 06 |
| | 1,985,000 | NDS Group, Inc., Term Loan B | Ba2 | BB | 4.00% | 03 |
| | HOMEBUILDING - 0.5% | | | | | |
| | 1,946,977 | Mattamy Funding Partnership, Term Loan | NR (f) | NR (f) | 2.75% | 04 |

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Page 6

See Notes to Quarterly Portfolio of Investments

FIRST TRUST SENIOR FLOATING RATE INCOME FUND II
 PORTFOLIO OF INVESTMENTS (a) (b) - (CONTINUED)
 FEBRUARY 29, 2012 (UNAUDITED)

| PRINCIPAL VALUE | DESCRIPTION | RATINGS (c) | | RATE (d) | S MAT |
|---|---|-------------|-----|-------------|----------|
| | | MOODY'S | S&P | | |
| SENIOR FLOATING-RATE LOAN INTERESTS - (CONTINUED) | | | | | |
| | HYPERMARKETS & SUPER CENTERS - 0.8% | | | | |
| \$ 2,993,333 | BJ's Wholesale Club, Inc., Term Loan, First Lien | B1 | B+ | 7.00% | 10 |
| | INDEPENDENT POWER PRODUCERS & ENERGY TRADERS - 5.4% | | | | |
| 5,982,387 | AES Corp., Term Loan B | Ba1 | BB+ | 4.25% | 06 |
| 3,970,000 | Calpine Corp., Term Loan B1 | B1 | BB- | 4.50% | 04 |
| 1,990,000 | Calpine Corp., Term Loan B2 | B1 | BB- | 4.50% | 04 |
| 2,985,000 | NRG Energy, Inc., Term Loan B | Baa3 | BB+ | 4.00% | 07 |
| 2,724,545 | Race Point Power, LLC, Term Loan | Ba2 | BB | 7.75%-8.25% | 01 |
| 2,538,462 | Star West Generation, LLC, Term Loan B | Ba3 | BB- | 6.00% | 05 |
| | INDUSTRIAL CONGLOMERATES - 0.5% | | | | |
| 1,687,500 | Colfax Corp., Term Loan B | Ba2 | BB+ | 4.50% | 12 |
| | INDUSTRIAL MACHINERY - 2.3% | | | | |
| 1,825,000 | Douglas Dynamics, LLC, Term Loan | B1 | BB | 5.75% | 04 |
| 2,985,000 | Husky International, Ltd., Term Loan B | Ba3 | B | 6.50% | 06 |
| 3,787,975 | Intelligrated, Inc., Term Loan B..... | B2 | B+ | 7.50% | 02 |
| | INTEGRATED TELECOMMUNICATION SERVICES - 3.2% | | | | |
| 1,313,935 | Avaya, Inc., Term Loan B1 | B1 | B | 3.24% | 10 |
| 3,634,079 | Avaya, Inc., Term Loan B3 | B1 | B | 4.99% | 10 |
| 3,000,000 | Global TelLink Corp., Term Loan B..... | B2 | B | 7.00% | 12 |
| 2,000,000 | Hawaiian Telcom Communications, Inc., Term Loan, First Lien | B1 | B- | 7.00% | 03 |
| 1,990,000 | Securus Technologies, Inc., Term Loan B | B1 | B+ | 5.25% | 06 |

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|-----------|---|-----|-----|-------|----|
| 3,000,000 | INTERNET SOFTWARE & SERVICES - 0.8% AVG Technologies, Term Loan B | B1 | B+ | 7.50% | 03 |
| 3,733,239 | INVESTMENT BANKING & BROKERAGE - 1.0% LPL Holdings, Inc., Term Loan..... | Ba2 | BB- | 5.25% | 06 |
| 4,275,000 | IT CONSULTING & OTHER SERVICES - 1.4% Presidio, Inc., Term Loan B | Ba3 | B+ | 7.25% | 03 |

See Notes to Quarterly Portfolio of Investments

Page 7

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PORTFOLIO OF INVESTMENTS (a) (b) - (CONTINUED)
FEBRUARY 29, 2012 (UNAUDITED)

| PRINCIPAL VALUE | DESCRIPTION | RATINGS (c) | | RATE (d) | S MAT |
|---|--|-------------|-----|-------------|----------|
| | | MOODY'S | S&P | | |
| SENIOR FLOATING-RATE LOAN INTERESTS - (CONTINUED) | | | | | |
| IT CONSULTING & OTHER SERVICES - (CONTINUED) | | | | | |
| \$ 984,034 | West Corp., Term Loan B5 | Ba3 | BB- | 4.49%-4.51% | 07 |
| LEISURE FACILITIES - 0.9% | | | | | |
| 3,200,000 | Six Flags, Inc., Term Loan B | B1 | BB+ | 4.25% | 01 |
| LEISURE PRODUCTS - 1.4% | | | | | |
| 2,967,349 | Live Nation Entertainment, Inc., Term Loan B..... | Ba2 | BB- | 4.50% | 11 |
| 2,415,238 | SRAM, LLC, Term Loan B | Ba3 | B+ | 4.75%-5.75% | 06 |
| LIFE & HEALTH INSURANCE - 0.4% | | | | | |
| 1,361,117 | CNO Financial Group, Inc., Term Loan | B1 | B+ | 6.25% | 09 |
| LIFE SCIENCES TOOLS & SERVICES - 2.0% | | | | | |
| 2,954,350 | inVentiv Health, Inc., Term Loan..... | B1 | BB- | 6.50% | 08 |
| 992,500 | inVentiv Health, Inc., Term Loan 3..... | B1 | BB- | 6.75% | 07 |
| 3,482,500 | Quintiles Transnational Corp., Term Loan B, First Lien | B1 | BB- | 5.00% | 06 |

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| PRINCIPAL VALUE | DESCRIPTION | RATINGS (c) MOODY'S | S&P | RATE (d) | MAT |
|---------------------------------------|--|------------------------|-----|----------|-----|
| MANAGED HEALTH CARE - 1.7% | | | | | |
| 6,565,174 | MultiPlan, Inc., Term Loan | Ba3 | B | 4.75% | 08 |
| MOVIES & ENTERTAINMENT - 1.9% | | | | | |
| 2,400,000 | AMC Entertainment, Inc., Term Loan B2 | Ba2 | BB- | 3.49% | 02 |
| 1,629,747 | AMC Entertainment, Inc., Term Loan B3 | Ba2 | BB- | 4.25% | 02 |
| 2,977,500 | TWCC Holding Corp., Term Loan B | Ba3 | BB- | 4.25% | 02 |
| OIL & GAS EQUIPMENT & SERVICES - 0.3% | | | | | |
| 1,221,266 | Aquilex Holdings, LLC, Term Loan | NR | NR | 9.50% | 04 |
| OIL & GAS REFINING & MARKETING - 0.4% | | | | | |
| 105,000 | Alon USA, Inc., Term Loan (Edgington Facility) | B1 | B+ | 2.49% | 08 |
| 840,000 | Alon USA, Inc., Term Loan (Paramount Facility) | B1 | B+ | 2.49% | 08 |
| 544,654 | Citgo Petroleum Corp., Term Loan B | Ba2 | BB+ | 8.00% | 06 |

Page 8

See Notes to Quarterly Portfolio of Investments

FIRST TRUST SENIOR FLOATING RATE INCOME FUND II
 PORTFOLIO OF INVESTMENTS (a) (b) - (CONTINUED)
 FEBRUARY 29, 2012 (UNAUDITED)

| PRINCIPAL VALUE | DESCRIPTION | RATINGS (c) MOODY'S | S&P | RATE (d) | MAT |
|---|--|------------------------|-----|----------|-----|
| SENIOR FLOATING-RATE LOAN INTERESTS - (CONTINUED) | | | | | |
| OTHER DIVERSIFIED FINANCIAL SERVICES - 6.1% | | | | | |
| \$ 2,972,538 | Fifth Third Processing Solutions, LLC, Term Loan B | Ba3 | BB- | 4.50% | 11 |
| 4,672,222 | First American Payment Systems, L.P., Term Loan B | B1 | B+ | 6.75% | 11 |
| 938,593 | First Data Corp., Term Loan B2 | B1 | B+ | 3.00% | 09 |
| 5,631,559 | First Data Corp., Term Loan B3 | B1 | B+ | 3.00% | 09 |
| 2,820,000 | iPayment, Inc., Term Loan B | Ba2 | B+ | 5.75% | 05 |
| 871,795 | Moneygram International, Term Loan B | Ba2 | BB- | 4.50% | 11 |
| 1,995,000 | Moneygram International, Term Loan B1 | Ba2 | BB- | 4.50% | 11 |

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| | | | | | |
|-------------------------------|--|--------|--------|-------|----|
| 2,985,000 | Royalty Pharma Finance Trust, Term Loan | Baa2 | BBB- | 4.00% | 05 |
| PACKAGED FOODS & MEATS - 1.5% | | | | | |
| 3,845,989 | Dean Foods Co., Term Loan B | Ba3 | BB- | 3.58% | 04 |
| 992,500 | Farley's and Sathers Candy Co., Inc., Term Loan B | B1 | B+ | 6.50% | 03 |
| 995,000 | JBS USA, LLC, Term Loan B..... | Ba3 | BB | 4.25% | 05 |
| PAPER PACKAGING - 3.4% | | | | | |
| 1,829,594 | RanPak Corp., Term Loan B | NR (f) | NR (f) | 4.75% | 04 |
| 8,836,395 | Reynolds Consumer Products Holdings, Inc., Term Loan | Ba3 | BB- | 6.50% | 02 |
| 1,973,590 | Reynolds Consumer Products Holdings, Inc., Term Loan C | Ba3 | BB- | 6.50% | 08 |
| PHARMACEUTICALS - 3.5% | | | | | |
| 2,857,143 | Catalent Pharma Solutions, Inc., Term Loan | Ba3 | BB- | 4.27% | 09 |
| 2,480,494 | IMS Health, Term Loan B | Ba3 | BB | 4.50% | 08 |
| 2,333,333 | Pharmaceutical Products Development, Inc., Term Loan B | Ba3 | BB- | 6.25% | 11 |
| 1,750,000 | Valeant Pharmaceuticals International, Inc., Term Loan B | Ba1 | BBB- | 3.75% | 01 |
| 1,588,000 | Warner Chilcott, PLC, Term Loan B1 | Ba3 | BBB- | 4.25% | 03 |

See Notes to Quarterly Portfolio of Investments

Page 9

FIRST TRUST SENIOR FLOATING RATE INCOME FUND II
PORTFOLIO OF INVESTMENTS (a) (b) - (CONTINUED)
FEBRUARY 29, 2012 (UNAUDITED)

| PRINCIPAL VALUE | DESCRIPTION | RATINGS (c) | | RATE (d) | S MAT |
|---|---|-------------|------|----------|----------|
| | | MOODY'S | S&P | | |
| SENIOR FLOATING-RATE LOAN INTERESTS - (CONTINUED) | | | | | |
| PHARMACEUTICALS - (CONTINUED) | | | | | |
| \$ 794,000 | Warner Chilcott, PLC, Term Loan B2 | Ba3 | BBB- | 4.25% | 03 |
| 1,091,750 | Warner Chilcott, PLC, Term Loan B3 | Ba3 | BBB- | 4.25% | 03 |

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| | | | | | | |
|--|--|--------|------|-------------|--|----|
| PUBLISHING - 0.6% | | | | | | |
| 1,961,378 | Getty Images, Inc., Term Loan B | Ba3 | BB- | 5.25% | | 11 |
| 784,964 | Yell Group, PLC, Term Loan B1 | Caa1 | B- | 3.99% | | 07 |
| RAILROADS - 0.5% | | | | | | |
| 1,928,571 | RailAmerica, Inc., Term Loan | B1 | BB+ | 4.00% | | 03 |
| REAL ESTATE OPERATING COMPANIES - 1.1% | | | | | | |
| 3,967,481 | ClubCorp Corp Operations, Inc., Term Loan | Ba2 | BB | 6.00% | | 11 |
| REAL ESTATE SERVICES - 0.3% | | | | | | |
| 1,393,829 | Realogy Corp., Term Loan, First Lien | B1 | B- | 4.77% | | 10 |
| RESEARCH & CONSULTING SERVICES - 4.8% | | | | | | |
| 1,985,000 | Acosta, Inc., Term Loan B | NR (f) | B+ | 4.75% | | 03 |
| 5,940,000 | Advantage Sales & Marketing, Inc., Term Loan, First Lien | NR (f) | B+ | 5.25% | | 12 |
| 6,460,208 | Affinion Group, Inc., Term Loan B | Ba3 | BB- | 5.00% | | 10 |
| 1,700,154 | Nielsen Finance, LLC, Dollar Term Loan B | Ba2 | BB+ | 4.01% | | 05 |
| 1,990,000 | Symphony IRI Group, Inc., Term Loan B-2 | B1 | B+ | 5.00% | | 12 |
| RESTAURANTS - 2.6% | | | | | | |
| 1,915,000 | Burger King Corp., Term Loan B | Ba3 | BB- | 4.50% | | 10 |
| 3,000,000 | Fertitta Morton's Restaurants, Inc., Term Loan B | B2 | BB- | 8.75% | | 01 |
| 3,333,333 | Focus Brands, Inc., Term Loan, First Lien | B1 | B | 6.25%-7.25% | | 02 |
| 1,500,000 | Focus Brands, Inc., Term Loan, Second Lien | Caa1 | CCC+ | 10.25% | | 08 |

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| PRINCIPAL VALUE | DESCRIPTION | RATINGS (c) | | RATE (d) | S MAT |
|---|---|-------------|--------|-------------|----------|
| | | MOODY'S | S&P | | |
| SENIOR FLOATING-RATE LOAN INTERESTS - (CONTINUED) | | | | | |
| | RETAIL REITS - 1.3% | | | | |
| \$ 4,691,995 | Capital Automotive L.P., Term Loan B | Ba3 | B+ | 5.00% | 03 |
| | SEMICONDUCTORS - 1.3% | | | | |
| 4,951,546 | Freescale Semiconductor, Inc., Extended Term Loan | B1 | B | 4.52% | 12 |
| | SPECIALIZED CONSUMER SERVICES - 3.4% | | | | |
| 226,464 | ARAMARK Corp., Prefunded Synthetic Letter of Credit 2 | Ba3 | BB | 3.53% | 07 |
| 3,443,529 | ARAMARK Corp., Term Loan B | Ba3 | BB | 3.83% | 07 |
| 5,659,091 | Asurion Corp., Term Loan B | NR. (f) | BB- | 5.50% | 05 |
| 2,000,000 | Asurion Corp., Term Loan, Second Lien | NR (f) | B- | 9.00% | 05 |
| 1,413,864 | Protection One, Inc., Term Loan | B1 | BB | 6.00% | 06 |
| | SPECIALIZED FINANCE - 0.8% | | | | |
| 3,000,000 | Flying Fortress, Inc., Term Loan B | Ba3 | BBB- | 5.00% | 06 |
| | SPECIALTY CHEMICALS - 4.7% | | | | |
| 4,800,000 | AZ Chemicals, Inc., Term Loan B..... | Ba3 | BB- | 7.25% | 12 |
| 1,976,424 | Houghton International, Inc., Term Loan B | B1 | B | 6.75% | 01 |
| 1,810,170 | Nusil Technology, LLC, Term Loan, First Lien | NR (f) | NR (f) | 5.25% | 04 |
| 1,995,000 | OM Group, Inc., Term Loan B | Ba2 | BB- | 5.75% | 08 |
| 1,481,250 | Omnova Solutions, Inc., Term Loan B | Ba2 | B+ | 5.75% | 05 |
| 2,227,273 | Polyone Corp., Term Loan B | Ba1 | BB- | 5.00% | 11 |
| 1,980,000 | Styron Corp., Term Loan B | B1 | B+ | 6.00%-6.75% | 08 |
| 1,166,667 | Taminco Global Chemical Corp., Term Loan | B1 | BB- | 6.25% | 02 |
| | SPECIALTY STORES - 1.6% | | | | |
| 1,985,000 | Jo-Ann Stores, Inc., Term Loan B | B1 | B+ | 4.75% | 03 |
| 3,920,000 | Petco Animal Supplies, Inc., Term Loan | B1 | B | 4.50% | 11 |

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| | | | | | |
|-----------|---|----|-----|-------|----|
| | SYSTEMS SOFTWARE - 3.2% | | | | |
| 3,000,000 | Blue Coat Systems, Inc., Term Loan, First Lien | B1 | BB- | 7.50% | 01 |

See Notes to Quarterly Portfolio of Investments

Page 11

FIRST TRUST SENIOR FLOATING RATE INCOME FUND II
 PORTFOLIO OF INVESTMENTS (a) (b) - (CONTINUED)
 FEBRUARY 29, 2012 (UNAUDITED)

| PRINCIPAL VALUE | DESCRIPTION | RATINGS (c) | | RATE (d) | S MAT |
|---|--|-------------|--------|-------------|----------|
| | | MOODY'S | S&P | | |
| SENIOR FLOATING-RATE LOAN INTERESTS - (CONTINUED) | | | | | |
| | SYSTEMS SOFTWARE - (CONTINUED) | | | | |
| \$ 1,013,049 | Open Solutions, Inc., Term Loan, First Lien | B1 | B+ | 2.69% | 01 |
| 356,996 | SunGard Data Systems, Inc., Incremental Term Loan | Ba3 | BB | 3.74% | 02 |
| 3,041,623 | SunGard Data Systems, Inc., Term Loan B | Ba3 | BB | 3.99%-4.15% | 02 |
| 4,457,501 | Vertafore, Inc., Term Loan, First Lien | B1 | B+ | 5.25% | 07 |
| | TRUCKING - 2.3% | | | | |
| 1,995,000 | Avis Budget Group, Term Loan B..... | Ba1 | BB | 6.25% | 09 |
| 3,000,000 | SIRVA, Inc., Term Loan B | NR (f) | NR (f) | 10.75% | 03 |
| 2,042,965 | Swift Transportation Co., Inc., Term Loan B | B1 | BB | 6.00% | 12 |
| 1,575,467 | Swift Transportation Co., Inc., Term Loan B2 | B1 | BB | 5.00% | 12 |
| | WIRELESS TELECOMMUNICATION SERVICES - 3.4% | | | | |
| 4,000,000 | Crown Castle Operating Co., Term Loan B | Ba3 | B+ | 4.00% | 01 |
| 1,473,795 | MetroPCS Wireless, Inc., Term Loan B | Ba1 | BB | 4.00%-4.06% | 03 |
| 3,173,864 | Neustar, Inc., Term Loan B | Ba2 | BB+ | 5.00% | 11 |
| 2,970,000 | Syniverse Technologies, Inc., Term Loan B | B1 | BB- | 5.25% | 12 |
| 992,500 | TowerCo Finance, LLC, Term Loan B | Ba3 | BB- | 5.25% | 02 |
| TOTAL SENIOR FLOATING-RATE LOAN INTERESTS | | | | | |

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(Cost \$553,466,672)

| PRINCIPAL VALUE | DESCRIPTION | RATE | S MA |
|--------------------|--|--------|---------|
| NOTES - 0.0% | | | |
| \$ 727,273 | HOMEBUILDING - 0.0% TOUSA, Inc. (Payment-In-Kind Election Note) (g) (h) (i) (j)..... | 14.75% | 07 |
| | TOTAL NOTES | | |
| | (Cost \$436,364) | | |

Page 12 See Notes to Quarterly Portfolio of Investments

FIRST TRUST SENIOR FLOATING RATE INCOME FUND II
 PORTFOLIO OF INVESTMENTS (a) (b) - (CONTINUED)
 FEBRUARY 29, 2012 (UNAUDITED)

| SHARES | DESCRIPTION |
|-------------------------|--|
| COMMON STOCKS - 0.4% | |
| | DIVERSIFIED CHEMICALS - 0.4% |
| 38,260 | LyondellBasell Industries AF S.C.A., Class B |
| | TOTAL COMMON STOCKS |
| | (Cost \$452,084) |
| WARRANTS - 0.0% | |
| | BROADCASTING - 0.0% |
| 1,449 | Cumulus Media, Inc. (g) (i) (k)..... |
| | TOTAL WARRANTS |
| | (Cost \$0) |
| PREFERRED STOCKS - 0.0% | |
| | HOMEBUILDING - 0.0% |
| 4,273 | TOUSA, Inc. (8.0%, Series A Convertible Payment-In-Kind Preferred Stock) (g) (h) (i) (k)..... |
| | TOTAL PREFERRED STOCKS |
| | (Cost \$2,563,636) |
| | TOTAL INVESTMENTS - 148.8% |

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(Cost \$556,918,756) (1)

OUTSTANDING LOAN - (43.0%)

NET OTHER ASSETS AND LIABILITIES - (5.8%)

NET ASSETS - 100.0%

- (a) All percentages shown in the Portfolio of Investments are based on net assets.
- (b) All or a portion of the securities are available to serve as collateral on the outstanding loan.
- (c) Ratings below Baa3 by Moody's Investors Service, Inc. or BBB- by Standard & Poor's Ratings Group are considered to be below investment grade.
- (d) Senior Loans in which the Fund invests pay interest at rates which are periodically predetermined by reference to a base lending rate plus a premium. These base lending rates are generally (i) the lending rate offered by one or more major European banks, such as the London Inter-Bank Offered Rate ("LIBOR"), (ii) the prime rate offered by one or more United States banks or (iii) the certificate of deposit rate. Certain Senior Loans are subject to a LIBOR floor that establishes a minimum base LIBOR rate.
- (e) Senior Loans generally are subject to mandatory and/or optional prepayment. As a result, the actual remaining maturity of Senior Loans may be substantially less than the stated maturities shown.
- (f) This Senior Loan Interest was privately rated upon issuance. The rating agency does not provide ongoing surveillance on the rating.
- (g) This security is fair valued in accordance with procedures adopted by the Fund's Board of Trustees, and in accordance with the provisions of the Investment Company Act of 1940, as amended.
- (h) This borrower has filed for protection in federal bankruptcy court.

See Notes to Quarterly Portfolio of Investments

Page 13

FIRST TRUST SENIOR FLOATING RATE INCOME FUND II
 PORTFOLIO OF INVESTMENTS (a) (b) - (CONTINUED)
 FEBRUARY 29, 2012 (UNAUDITED)

- (i) This security is restricted and cannot be offered for public sale without first being registered under the Securities Act of 1933, as amended. Prior to registration, restricted securities may only be resold in transactions exempt from registration (See Note D - Restricted Investments in the Notes to Quarterly Portfolio of Investments).
- (j) This security is a Senior Subordinated Payment-in-Kind Election Note whereby 1.00% of interest per annum will be paid in cash and 13.75% of interest per annum shall be paid by the issuer, at its option (i) entirely in cash, (ii) entirely in Payment-In-Kind interest or (iii) a combination

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thereof. Interest is paid semi-annually; however, the issuer is in default and income is not being accrued.

- (k) Non-income producing security.
- (l) Aggregate cost for financial reporting purposes, which approximates the aggregate cost for federal income tax purposes. As of February 29, 2012, the aggregate gross unrealized appreciation for all securities in which there was an excess of value over tax cost was \$3,679,510 and the aggregate gross unrealized depreciation for all securities in which there was an excess of tax cost over value was \$10,000,315.

NR Not Rated

VALUATION INPUTS

A summary of the inputs used to value the Fund's investments as of August 31, 2011 is as follows (see Note A - Portfolio Valuation in the Notes to Quarterly Portfolio of Investments):

| | TOTAL VALUE AT 2/29/2012 | LEVEL 1 QUOTED PRICES | LEVEL 2 SIGNIFICA OBSERVABLE I |
|---|--------------------------------|-----------------------------|--------------------------------------|
| Senior Floating-Rate Loan Interests: | | | |
| Aerospace & Defense | \$ 19,060,495 | \$ -- | \$ 17,68 |
| Asset Management & Custody Banks | 19,078,836 | -- | 16,69 |
| Trucking | 8,574,852 | -- | 5,63 |
| Other Industry Categories* | 502,228,411 | -- | 502,22 |
| Total Senior Floating-Rate Loan Interests | 548,942,594 | -- | 542,24 |
| Common Stocks* | 1,652,067 | 1,652,067 | |
| Warrants* | 3,290 | -- | |
| TOTAL INVESTMENTS | \$ 550,597,951 | \$ 1,652,067 | \$ 542,24 |

* See the Portfolio of Investments for the industry breakout. Industry categories are only shown separately if they include holdings in two or more levels or have holdings in only Level 3.

All transfers in and out of Level 3 during the period are assumed to be transferred on the last day of the period at their current value. As of February 29, 2012, the Fund transferred Senior Floating-Rate Loan Interest valued at \$22,072,957 from Level 3 to Level 2 of the fair value hierarchy. The Senior Floating-Rate Loan Interests that transferred from Level 3 to Level 2 did so primarily as a result of additional information obtained from an independent third party pricing vendor relating to the liquidity of individual Senior Floating-Rate Loan Interests.

The following table presents the Fund's investments measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the period presented:

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| INVESTMENTS AT FAIR VALUE USING SIGNIFICANT INPUTS (LEVEL 3) | BALANCE AS OF MAY 31, 2011 | TRANSFERS IN (OUT) OF LEVEL 3 | NET REALIZED GAINS (LOSSES) | CHANGE IN NET UNREALIZED APPRECIATION (DEPRECIATION) | PURCHASES |
|--|-------------------------------|-------------------------------------|--------------------------------------|---|-------------|
| Senior Floating-Rate Loan Interests | \$ 34,433,986 | \$ (20,694,337) | \$ 71,118 | \$ (294,108) | \$ 4,380,09 |

Page 14

See Notes to Quarterly Portfolio of Investments

NOTES TO QUARTERLY PORTFOLIO OF INVESTMENTS

FIRST TRUST SENIOR FLOATING RATE INCOME FUND II
FEBRUARY 29, 2012 (UNAUDITED)

VALUATION AND INVESTMENT PRACTICES

A. PORTFOLIO VALUATION:

The net asset value ("NAV") of the Common Shares of First Trust Senior Floating Rate Income Fund II (the "Fund") is determined daily as of the close of regular trading on the New York Stock Exchange ("NYSE"), normally 4:00 p.m. Eastern time, on each day the NYSE is open for trading. If the NYSE closes early on a valuation day, the NAV is determined as of that time. Domestic debt securities and foreign securities are priced using data reflecting the earlier closing of the principal markets for those securities. The NAV per Common Share is calculated by dividing the value of all assets of the Fund (including accrued interest and dividends), less all liabilities (including accrued expenses, dividends declared but unpaid and any borrowings of the Fund), by the total number of Common Shares outstanding.

The Fund's investments are valued daily in accordance with valuation procedures adopted by the Fund's Board of Trustees, and in accordance with provisions of the Investment Company Act of 1940, as amended (the "1940 Act"). The Senior Floating-Rate Loan Interests ("Senior Loans") (1) in which the Fund invests are not listed on any securities exchange or board of trade. Senior Loans are typically bought and sold by institutional investors in individually negotiated private transactions that function in many respects like an over-the-counter secondary market, although typically no formal market-makers exist. This market, while having grown substantially since its inception, generally has fewer trades and less liquidity than the secondary market for other types of securities. Some Senior Loans have few or no trades, trade infrequently, and information regarding a specific Senior Loan may not be widely available or may be incomplete. Accordingly, determinations of the fair value of Senior Loans may be based on infrequent and dated information. Because there is less reliable and objective data available, elements of judgment may play a greater role in valuation of Senior Loans than for other types of securities. Typically, Senior

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Loans are valued using information provided by a third party pricing service. The third party pricing service primarily uses broker quotes to value the Senior Loans.

Common stocks and other securities listed on any national or foreign exchange (excluding the NASDAQ National Market ("NASDAQ") and the London Stock Exchange Alternative Investment Market ("AIM")) are valued at the last sale price on the exchange on which they are principally traded. If there are no transactions on the valuation day, the securities are valued at the mean between the most recent bid and asked prices. Securities listed on the NASDAQ or the AIM are valued at the official closing price. If there is no official closing price on the valuation day, the securities are valued at the mean between the most recent bid and asked prices. Securities traded in the over-the-counter market are valued at their closing bid prices.

Debt securities having a remaining maturity of sixty days or less when purchased are valued at cost adjusted for amortization of premiums and accretion of discounts.

In the event that market quotations are not readily available, the pricing service cannot provide a valuation, or the valuations received are deemed unreliable, the Fund's Board of Trustees has designated First Trust Advisors L.P. ("First Trust" or "Advisor") to use a fair value method to value the Fund's securities. Additionally, if events occur after the close of the principal markets for certain securities (e.g., domestic debt and foreign securities) that could materially affect the Fund's NAV, First Trust may use a fair value method to value the Fund's securities. The use of fair value pricing is governed by valuation procedures adopted by the Fund's Board of Trustees, and in accordance with the provisions of the 1940 Act. As a general principle, the fair value of a security is the amount which the Fund might reasonably expect to receive for the security upon its current sale. However, in light of the judgment involved in fair valuations, there can be no assurance that a fair value assigned to a particular security will be the amount which the Fund might be able to receive upon its current sale. Fair valuation of a security is based on the consideration of all available information, including, but not limited to, the following:

- 1) the fundamental business data relating to the issuer;
- 2) an evaluation of the forces which influence the market in which these securities are purchased and sold;
- 3) the type, size and cost of a security;
- 4) the financial statements of the issuer;
- 5) the credit quality and cash flow of the issuer, based on the Advisor's or external analysis;
- 6) the information as to any transactions in or offers for the security;
- 7) the price and extent of public trading in similar securities (or equity securities) of the issuer/borrower, or comparable companies;
- 8) the coupon payments;
- 9) the quality, value and salability of collateral, if any, securing the security;
- 10) the business prospects of the issuer, including any ability to obtain money or resources from a parent or affiliate and an

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assessment of the issuer's management;

- 11) the prospects for the issuer's industry, and multiples (of earnings and/or cash flows) being paid for similar businesses in that industry; and
- 12) other relevant factors.

1 The terms "security" and "securities" used throughout the Notes to Quarterly Portfolio of Investments include Senior Loans.

Page 15

NOTES TO QUARTERLY PORTFOLIO OF INVESTMENTS - (CONTINUED)

FIRST TRUST SENIOR FLOATING RATE INCOME FUND II FEBRUARY 29, 2012 (UNAUDITED)

The Fund is subject to fair value accounting standards that define fair value, establish the framework for measuring fair value and provide a three-level hierarchy for fair valuation based upon the inputs to the valuation as of the measurement date. The three levels of the fair value hierarchy are as follows:

- o Level 1 - Level 1 inputs are quoted prices in active markets for identical securities. An active market is a market in which transactions for the security occur with sufficient frequency and volume to provide pricing information on an ongoing basis.
- o Level 2 - Level 2 inputs are observable inputs, either directly or indirectly, and include the following:
 - o Quoted prices for similar securities in active markets.
 - o Quoted prices for identical or similar securities in markets that are non-active. A non-active market is a market where there are few transactions for the security, the prices are not current, or price quotations vary substantially either over time or among market makers, or in which little information is released publicly.
 - o Inputs other than quoted prices that are observable for the security (for example, interest rates and yield curves observable at commonly quoted intervals, volatilities, prepayment speeds, loss severities, credit risks, and default rates).
 - o Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- o Level 3 - Level 3 inputs are unobservable inputs. Unobservable inputs may reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing the security.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. A summary of the inputs used to value the Fund's investments as of February 29, 2012, is included with the Fund's Portfolio of Investments.

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B. SECURITY TRANSACTIONS:

Security transactions are recorded as of the trade date. Realized gains and losses from securities transactions are recorded on the identified cost basis.

Securities purchased or sold on a when-issued, delayed-delivery or forward purchase commitment basis may have extended settlement periods. The value of the security so purchased is subject to market fluctuations during this period. Due to the nature of the Senior Loan market, the actual settlement date may not be certain at the time of the purchase or sale for some of the Senior Loans. Interest income on such Senior Loans is not accrued until settlement date. The Fund maintains liquid assets with a current value at least equal to the amount of its when-issued, delayed delivery or forward purchase commitments.

C. UNFUNDED LOAN COMMITMENTS:

The Fund may enter into certain credit agreements, all or a portion of which may be unfunded. The Fund is obligated to fund these loan commitments at the borrower's discretion. The Fund had unfunded loan commitments of \$395,604 as of February 29, 2012.

D. RESTRICTED SECURITIES:

The Fund invests in restricted securities, which are securities that may not be offered for public sale without first being registered under the Securities Act of 1933, as amended (the "1933 Act"). Prior to registration, restricted securities may only be resold in transactions exempt from registration under Rule 144A under the 1933 Act, normally to qualified institutional investors. As of February 29, 2012, the Fund held restricted securities as shown in the following table. The Fund does not have the right to demand that such securities be registered. These securities are valued according to the valuation procedures as stated in the Portfolio Valuation footnote (Note A) and are not expressed as a discount to the carrying value of a comparable unrestricted investment. There are no unrestricted investments with the same maturity dates and yields for these issuers.

| SECURITY | ACQUISITION DATE | PRINCIPAL VALUE/SHARES | VALUE PER SHARE | CURRENT CARRYING COST |
|--------------------------------|---------------------|---------------------------|--------------------|--------------------------------|
| Cumulus Media, Inc. - Warrants | 6/29/09 | 1,449 | \$ 2.27 | \$ -- |
| TOUSA, Inc. - Notes | 7/31/07 (1) | \$ 727,273 | -- | 436,364 |
| TOUSA, Inc. - Preferred Stocks | 7/31/07 (1) | 4,273 | -- | 2,563,636 |
| | | | | ----- \$ 3,000,000 ===== |

* Amount is less than 0.01%.

(1) Security was acquired through a restructuring that was effective on July 31, 2007.

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ITEM 2. CONTROLS AND PROCEDURES.

- (a) The registrant's principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act") (17 CFR 270.30a-3(c))) are effective, as of a date within 90 days of the filing date of the report that includes the disclosure required by this paragraph, based on their evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR 270.30a-3(b)) and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended (17 CFR 240.13a-15(b) or 240.15d-15(b)).
- (b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d))) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 3. EXHIBITS.

Certifications pursuant to Rule 30a-2(a) under the 1940 Act and Section 302 of the Sarbanes-Oxley Act of 2002 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) First Trust Senior Floating Rate Income Fund II

By (Signature and Title)* /s/ Mark R. Bradley

Mark R. Bradley, President and Chief Executive Officer
(principal executive officer)

Date April 16, 2012

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/ Mark R. Bradley

Mark R. Bradley, President and Chief Executive Officer
(principal executive officer)

Date April 16, 2012

By (Signature and Title)* /s/ Mark R. Bradley

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James M. Dykas, Treasurer, Chief Financial Officer and
Chief Accounting Officer
(principal financial officer)

Date April 16, 2012

* Print the name and title of each signing officer under his or her signature.