

Apollo Tactical Income Fund Inc.  
Form N-Q  
May 28, 2015

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, 2015

**Item 1. Schedule of Investments.**

The Schedule(s) of Investments is attached herewith.

**Apollo Tactical Income Fund Inc.****Schedule of Investments****March 31, 2015 (unaudited)**

|  | <b>Principal<br/>Amount (\$)</b> | <b>Value (\$)</b> |
|--|----------------------------------|-------------------|
| <b>Senior Loans - 98.5%</b> <sup>(a)</sup>   |                                  |                   |
| <b>AEROSPACE &amp; DEFENSE - 7.2%</b>  |                                  |                   |
| Alion Science and Technology Corp.   |                                  |                   |
| Tranche A Term Loan, 8.00%, 08/17/18 <sup>(b)</sup>  | 1,936,274                        | 1,916,911         |
| Tranche B Term Loan, 11.00%, 08/16/19 <sup>(b)</sup>                                       | 1,828,289                        | 1,791,723         |
| Camp International Holding Co.   |                                  |                   |
| 2013 Second Lien Replacement Term Loan, 8.25%, 11/29/19                                    | 1,350,000                        | 1,352,531         |
| Photonis Technologies SAS  |                                  |                   |
| Term Loan, 8.50%, 09/18/19 <sup>(b)</sup>  | 3,524,374                        | 3,277,668         |
| SRA International, Inc.  |                                  |                   |
| Term Loan, 6.50%, 07/20/18   | 2,832,952                        | 2,855,969         |
| TASC, Inc.   |                                  |                   |
| First Lien New Term Loan, 7.00%, 05/22/20  | 498,750                          | 507,478           |
| First Lien Term Loan, 7.00%, 05/22/20  | 1,424,441                        | 1,449,369         |
| Second Lien Term Loan, 12.00%, 05/21/21 <sup>(c)</sup>                                     | 2,233,239                        | 2,372,816         |
| U.S. Joiner Holding Co.  |                                  |                   |
| Term Loan, 7.00%, 04/16/20 <sup>(b)</sup>  | 1,642,375                        | 1,638,269         |
| Vencore, Inc.  |                                  |                   |
| Second Lien Term Loan, 9.00%, 05/23/20 <sup>(b)</sup>                                      | 606,000                          | 612,818           |
| WP CPP Holdings, LLC   |                                  |                   |
| Second Lien Term Loan B-1, 8.75%, 04/30/21 <sup>(b)</sup>                                  | 1,435,000                        | 1,427,825         |
|  |                                  | 19,203,377        |
| <b>AUTOMOTIVE - 0.7%</b>   |                                  |                   |
| American Tire Distributors, Inc.   |                                  |                   |
| Initial Term Loan, 09/24/21 <sup>(d)</sup>   | 1,876,401                        | 1,886,956         |
| <b>BANKING, FINANCE, INSURANCE &amp; REAL ESTATE - 6.4%</b>                                |                                  |                   |
| Asurion, LLC   |                                  |                   |
| Second Lien Term Loan, 8.50%, 03/03/21   | 4,624,000                        | 4,654,056         |
| Hyperion Finance S.a.r.l. (United Kingdom) Term Loan, 5.75%, 10/17/19 <sup>(e)</sup>       | 5,332,500                        | 5,339,166         |
| Hyperion Insurance Group, Limited (United Kingdom) Term Loan B, 03/26/22 <sup>(d)(e)</sup> | 2,046,666                        | 2,062,016         |
| Medical Card System, Inc.  |                                  |                   |
| Term Loan, (9.00% cash, 3.00%, PIK), 11.24%, 03/17/17 <sup>(b)(f)</sup>                    | 4,321,701                        | 3,176,450         |

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|   |           |            |
|---|-----------|------------|
| MMM Holdings, Inc.                            |           |            |
| MMM Term Loan, 9.75%, 12/12/17 <sup>(b)</sup> | 1,182,486 | 957,813    |
| MSO of Puerto Rico, Inc.                      |           |            |
| MSO Term Loan, 9.75%, 12/12/17 <sup>(b)</sup> | 859,671   | 696,334    |
|   |           | 16,885,835 |

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

**BEVERAGE, FOOD & TOBACCO - 1.0%**

|   |           |           |
|---|-----------|-----------|
| PFS Holding Corp.                                     |           |           |
| Second Lien Term Loan, 8.25%, 01/31/22                | 499,800   | 369,017   |
| Winebow Holdings, Inc. (The Vintner Group, Inc.)      |           |           |
| Second Lien Term Loan, 8.50%, 01/02/22 <sup>(b)</sup> | 2,505,795 | 2,342,918 |
|   |           | 2,711,935 |

**CAPITAL EQUIPMENT - 1.5%**

|   |           |           |
|---|-----------|-----------|
| Tank Holding Corp. (Roto Acquisition Corp.) |           |           |
| Initial Term Loan, 5.25%, 03/16/22          | 1,472,000 | 1,479,360 |
| Zebra Technologies Corp.                    |           |           |
| Term Loan B, 4.75%, 10/27/21                | 2,377,600 | 2,408,212 |
|   |           | 3,887,572 |

**CHEMICALS, PLASTICS & RUBBER - 2.0%**

|  |           |           |
|--|-----------|-----------|
| Chemstralia Pty, Ltd. (Chemstralia Finco, LLC) (Australia) |           |           |
| Initial Term Loan, 7.25%,<br>v02/28/22 <sup>(b)(e)</sup>   | 2,272,727 | 2,250,000 |
| Onex Wizard Acquisition Co. II, S.C.A. (Luxembourg)        |           |           |
| Initial Dollar Term Loan, 5.25%, 03/11/22 <sup>(e)</sup>   | 2,120,805 | 2,143,201 |
| U.S. Farathane, LLC  |           |           |
| Initial Term Loan, 6.75%, 12/23/21 <sup>(b)</sup>          | 974,953   | 985,921   |
|  |           | 5,379,122 |

**CONSTRUCTION & BUILDING - 0.2%**

|   |         |         |
|---|---------|---------|
| Headwaters, Inc.                            |         |         |
| Term Loan B, 4.50%, 03/24/22 <sup>(b)</sup> | 500,000 | 502,812 |

**CONSUMER GOODS: NON-DURABLE - 4.8%**

|  |           |           |
|--|-----------|-----------|
| ABG Intermediate Holdings 2, LLC                     |           |           |
| First Lien Term Loan, 5.50%, 05/27/21                | 3,514,500 | 3,534,990 |
| BRG Sports, Inc.                                     |           |           |
| First Lien Term Loan, 6.50%, 04/15/21 <sup>(b)</sup> | 1,835,486 | 1,865,313 |
| Fender Musical Instruments Corp.                     |           |           |
| Initial Term Loan, 5.75%, 04/03/19                   | 341,250   | 341,535   |
|  | 2,744,518 | 2,321,410 |

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|  |           |            |
|--|-----------|------------|
| Nine West Holdings, Inc.<br>Unsecured Initial Term Loan, 6.25%, 01/08/20 |           |            |
| Polyconcept Investments, B.V.<br>Term Loan, 6.00%, 06/28/19              | 3,309,117 | 3,300,844  |
| The Topps Co., Inc.<br>Term Loan, 7.25%, 10/02/18                        | 1,380,817 | 1,365,283  |
|  |           | 12,729,375 |
| <b>CONTAINERS, PACKAGING &amp; GLASS - 2.6%</b>                          |           |            |
| BWay Intermediate Co., Inc.<br>Initial Term Loan, 5.50%, 08/14/20        | 1,533,863 | 1,550,482  |

See accompanying Notes to Schedule of Investments. | 1

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

|  | <b>Principal</b>   |                   |
|--|--------------------|-------------------|
|  | <b>Amount (\$)</b> | <b>Value (\$)</b> |
| <b>Senior Loans<sup>(a)</sup> (continued)</b>        |                    |                   |
| <b>CONTAINERS, PACKAGING &amp; GLASS (continued)</b> |                    |                   |
| Hoover Group   |                    |                   |
| First Lien Term Loan, 7.75%, 01/07/22 <sup>(b)</sup> | 616,848            | 576,753           |
| NVLX Acquisition, LLC                                |                    |                   |
| First Lien Term Loan, 6.00%, 12/05/21                | 2,053,623          | 2,074,159         |
| Pelican Products, Inc.                               |                    |                   |
| First Lien Term Loan, 5.25%, 04/10/20                | 2,765,202          | 2,759,160         |
|  |                    | 6,960,554         |
| <b>ENERGY: OIL &amp; GAS - 6.0%</b>                  |                    |                   |
| American Energy - Marcellus, LLC                     |                    |                   |
| First Lien Initial Term Loan, 5.25%, 08/04/20        | 1,561,946          | 1,331,559         |
| Azure Midstream Energy, LLC                          |                    |                   |
| Term Loan, 7.50%, 11/15/18                           | 687,238            | 655,454           |
| BlackBrush Oil & Gas, L.P.                           |                    |                   |
| Closing Date Second Lien Term Loan, 7.50%, 07/30/21  | 2,733,766          | 2,221,185         |
| Chief Exploration & Development, LLC                 |                    |                   |
| Second Lien Term Loan, 7.50%, 05/16/21               | 2,926,177          | 2,727,197         |
| Drillships Financing Holding, Inc.                   |                    |                   |
| Tranche B-1 Term Loan, 6.00%, 03/31/21               | 3,233,417          | 2,481,147         |
| Drillships Ocean Ventures, Inc.                      |                    |                   |
| Term Loan, 5.50%, 07/25/21                           | 404,039            | 338,383           |
| EMG Utica, LLC                                       |                    |                   |
| Term Loan, 4.75%, 03/27/20                           | 1,108,949          | 1,041,026         |
| HGIM Corp.   |                    |                   |
| Term Loan A, 5.00%, 06/18/18                         | 690,475            | 523,898           |
| Southcross Energy Partners, L.P.                     |                    |                   |
| Initial Term Loan, 5.25%, 08/04/21 <sup>(b)</sup>    | 341,260            | 333,795           |
| Southcross Holdings Borrower, L.P.                   |                    |                   |
| Term Loan, 6.00%, 08/04/21                           | 865,143            | 824,049           |
| Sprint Industrial Holdings, LLC                      |                    |                   |
| First Lien Term Loan, 7.00%, 05/14/19 <sup>(b)</sup> | 2,157,402          | 2,038,745         |
|  | 561,518            | 564,676           |

|   |           |            |
|---|-----------|------------|
| Targa Resources Corp.<br>Term Loan, 02/27/22 <sup>(d)</sup><br>W3 Co.<br>First Lien Term Loan, 5.75%, 03/13/20 <sup>(b)</sup> | 1,104,038 | 966,033    |
|   |           | 16,047,147 |

**ENVIRONMENTAL INDUSTRIES - 1.5%**

|   |           |           |
|---|-----------|-----------|
| Emerald 2, Limited (United Kingdom)<br>Facility B-1 Term Loan, 5.00%, 05/14/21 <sup>(e)</sup> | 3,956,154 | 3,896,812 |
|---|-----------|-----------|

**FOREST PRODUCTS & PAPER - 1.5%**

|  |           |           |
|--|-----------|-----------|
| Caraustar Industries, Inc.<br>Incremental Term Loan, 8.00%, 05/01/19 | 1,197,000 | 1,192,511 |
|--|-----------|-----------|

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

**FOREST PRODUCTS & PAPER (continued)**

|  |           |           |
|--|-----------|-----------|
| Caraustar Industries, Inc. (continued)<br>Term Loan, 8.00%, 05/01/19 | 2,770,677 | 2,757,973 |
|  |           | 3,950,484 |

**HEALTHCARE & PHARMACEUTICALS - 6.8%**

|  |           |            |
|--|-----------|------------|
| Ardent Medical Services, Inc.<br>First Lien Term Loan, 6.75%, 07/02/18                                 | 808,345   | 812,262    |
| Opal Acquisition, Inc.<br>First Lien Term Loan, 5.00%, 11/27/20  | 4,488,636 | 4,496,581  |
| Premier Dental Services, Inc.<br>First Lien Term Loan, 6.00%, 11/01/18 <sup>(b)</sup>                  | 3,691,559 | 3,396,234  |
| Smile Brands Group, Inc.<br>Term Loan, 7.50%, 08/16/19   | 4,133,695 | 3,761,662  |
| Steward Health Care System, LLC<br>Term Loan, 6.75%, 04/10/20  | 1,413,809 | 1,413,809  |
| Surgery Center Holdings, Inc.<br>First Lien Initial Term Loan, 5.25%, 11/03/20                         | 1,656,792 | 1,665,084  |
| U.S. Renal Care, Inc.<br>Incremental Tranche B-1 Second Lien Term Loan, 8.50%, 01/03/20 <sup>(b)</sup> | 1,212,000 | 1,225,635  |
| Second Lien Term Loan, 10.25%, 01/03/20 <sup>(b)</sup>   | 788,000   | 797,850    |
| Walgreens Infusion Services<br>Term Loan B, 03/25/22 <sup>(b)(d)</sup>                                 | 500,000   | 504,065    |
|  |           | 18,073,182 |

**HIGH TECH INDUSTRIES - 6.8%**

|  |           |           |
|--|-----------|-----------|
| Compuware Corp.<br>First Lien Tranche B-1 Term Loan, 6.25%, 12/15/19           | 160,000   | 156,600   |
| Flexera Software, LLC<br>Second Lien Term Loan, 8.00%, 04/02/21 <sup>(b)</sup> | 1,333,333 | 1,313,333 |

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|   |           |           |
|---|-----------|-----------|
| GTCR Valor Companies, Inc.                                    |           |           |
| First Lien Initial Term Loan, 6.00%, 05/30/21                 | 2,378,084 | 2,372,151 |
| Landslide Holdings, Inc. (Crimson Acquisition Corp.)          |           |           |
| Second Lien Term Loan, 8.25%, 02/25/21 <sup>(b)</sup>         | 1,682,000 | 1,631,540 |
| Lanyon Solutions, Inc. (Lanyon, Inc.)                         |           |           |
| First Lien Term Loan, 5.50%, 11/13/20                         | 581,239   | 580,757   |
| Second Lien Term Loan, 9.50%, 11/15/21 <sup>(b)</sup>         | 2,219,037 | 2,141,370 |
| MSC.Software Corp.  |           |           |
| First Lien Initial Term Loan, 5.00%, 05/29/20                 | 894,243   | 900,949   |
| Second Lien Initial Term Loan, 8.50%, 05/28/21 <sup>(b)</sup> | 2,550,000 | 2,511,750 |
| Riverbed Technology, Inc.                                     |           |           |
| Term Loan B, 02/25/22 <sup>(d)</sup>                          | 1,416,761 | 1,432,345 |

2 | See accompanying Notes to Schedule of Investments.



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

|  | <b>Principal<br/>Amount (\$)</b> | <b>Value (\$)</b> |
|--|----------------------------------|-------------------|
| <b>Senior Loans<sup>(a)</sup> (continued)</b>                                  |                                  |                   |
| <b>HIGH TECH INDUSTRIES (continued)</b>  |                                  |                   |
| RP Crown Parent, LLC<br>First Lien New Term Loan,<br>12/21/18 <sup>(d)</sup>   | 3,098,674                        | 3,057,678         |
| TIBCO Software, Inc.<br>Term Loan, 6.50%, 12/04/20                             | 2,000,000                        | 2,003,750         |
|  |                                  | 18,102,223        |
| <b>HOTEL, GAMING &amp; LEISURE - 4.7%</b>                                      |                                  |                   |
| Centaur Acquisition, LLC<br>Second Lien Term Loan, 8.75%, 02/20/20             | 3,000,000                        | 3,041,250         |
| Diamond Resorts Corp.<br>Term Loan, 5.50%, 05/09/21                            | 842,616                          | 847,883           |
| Global Cash Access, Inc.<br>Term Loan B, 6.25%, 12/18/20                       | 1,241,042                        | 1,235,352         |
| Peppermill Casinos, Inc.<br>Term Loan B, 7.25%, 11/09/18 <sup>(b)</sup>        | 1,959,758                        | 1,972,007         |
| Planet Fitness Holdings, LLC<br>Term Loan, 03/31/21 <sup>(d)</sup>             | 1,858,308                        | 1,862,954         |
| Scientific Games International, Inc.<br>Initial Term Loan B-2, 6.00%, 10/01/21 | 3,542,616                        | 3,555,653         |
|  |                                  | 12,515,099        |
| <b>MEDIA: ADVERTISING, PRINTING &amp; PUBLISHING - 6.5%</b>                    |                                  |                   |
| Acosta Holdco, Inc.<br>Initial Term Loan, 5.00%, 09/26/21                      | 1,496,250                        | 1,513,434         |
| ALM Media, LLC<br>First Lien Term Loan, 5.50%, 07/31/20 <sup>(b)</sup>         | 3,946,216                        | 3,877,157         |
| F&W Media, Inc.<br>Term Loan, 7.75%, 06/30/19                                  | 3,848,763                        | 3,733,300         |
| Merrill Communications, LLC<br>Term Loan, 5.75%, 03/08/18 <sup>(b)</sup>       | 4,201,197                        | 4,237,958         |
|  | 3,987,508                        | 3,999,969         |

Springer SBM Two GmbH (Germany)  
Initial Term Loan B-3, 4.75%, 08/14/20<sup>(e)</sup>

17,361,818

**MEDIA: BROADCASTING & SUBSCRIPTION - 6.2%**

Charter Communications Operating, LLC (aka CCO Safari, LLC)

Term Loan G, 4.25%, 09/10/21

3,475,506

3,509,305

Emmis Operating Co.

Term Loan, 6.00%, 06/10/21

1,995,000

2,004,975

Granite Broadcasting Corp.

First Lien Tranche B Term Loan, 6.75%, 05/23/18

640,100

640,103

Hemisphere Media Holdings, LLC (Intermedia Espanol, Inc.)

New Term Loan B, 5.00%, 07/30/20

2,551,178

2,548,524

SESAC Holdco II, LLC

First Lien Term Loan, 5.00%, 02/07/19

1,764,114

1,764,122

**Principal  
Amount (\$)**

**Value (\$)**

**MEDIA: BROADCASTING & SUBSCRIPTION (continued)**

Telecommunications Management, LLC

Second Lien Initial Term Loan, 9.00%, 10/30/20<sup>(b)</sup>

1,065,712

1,049,726

William Morris Endeavor Entertainment, LLC (IMG Worldwide Holdings, LLC)

First Lien Term Loan, 5.25%, 05/06/21

5,012,125

4,982,052

16,498,807

**MEDIA: DIVERSIFIED & PRODUCTION - 1.5%**

Tech Finance & Co., S.C.A. (Luxembourg)

U.S. Term Loan, 5.50%, 07/11/20<sup>(e)</sup>

4,080,314

4,114,752

**METALS & MINING - 0.5%**

Oxbow Carbon, LLC (Oxbow Calcining, LLC)

Second Lien Initial Term Loan, 8.00%, 01/17/20

1,538,462

1,273,077

**RETAIL - 5.6%**

Charming Charlie, LLC

Initial Term Loan, 9.00%, 12/24/19<sup>(b)</sup>

1,217,715

1,226,847

David's Bridal, Inc.

Initial Term Loan, 10/11/19<sup>(d)</sup>

321,997

313,384

Dollar Tree, Inc.

Initial Term Loan B, 4.25%, 03/09/22

2,434,032

2,462,595

Mattress Holding Corp.

Initial Term Loan, 5.25%, 10/20/21

2,756,782

2,783,495

PetSmart, Inc.

Term Loan, 5.00%, 03/11/22

5,391,548

5,438,239

Sears Roebuck Acceptance Corp. (KMART Corp.)

Term Loan, 06/30/18<sup>(d)</sup>

2,150,425

2,122,868

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|  |           |            |
|--|-----------|------------|
| Vince, LLC (Vince Intermediate Holding, LLC)   |           |            |
| Term Loan B, 5.75%, 11/27/19   | 519,331   | 520,954    |
|  |           | 14,868,382 |
| <b>SERVICES: BUSINESS - 10.5%</b>  |           |            |
| Aptean, Inc.   |           |            |
| First Lien Term Loan, 5.25%, 02/26/20  | 1,507,770 | 1,481,384  |
| Carecore National, LLC   |           |            |
| Term Loan, 5.50%, 03/05/21   | 997,481   | 1,004,962  |
| EIG Investors Corp.  |           |            |
| Term Loan, 5.00%, 11/09/19   | 1,875,824 | 1,886,385  |
| Element Materials Technology Group U.S. Holdings, Inc. (Element<br>Materials Technology Holdings U.K., Ltd.) |           |            |
| Term Loan B, 5.25%, 08/06/21   | 503,878   | 505,138    |

See accompanying Notes to Schedule of Investments. | 3

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

|  | <b>Principal<br/>Amount (\$)</b> | <b>Value (\$)</b> |
|--|----------------------------------|-------------------|
| <b>Senior Loans<sup>(a)</sup> (continued)</b>  |                                  |                   |
| <b>SERVICES: BUSINESS (continued)</b>  |                                  |                   |
| Evergreen Skills Lux S.a.r.l.<br>First Lien Initial Term Loan,<br>04/28/21 <sup>(d)</sup>        | 1,000,000                        | 990,315           |
| Second Lien Initial Term Loan, 9.25%, 04/28/22   | 1,000,000                        | 945,500           |
| Genex Holdings, Inc.<br>First Lien Term Loan B, 5.25%, 05/28/21                                  | 1,423,943                        | 1,429,283         |
| IBC Capital, Limited<br>Second Lien Term Loan, 8.00%, 09/09/22                                   | 529,000                          | 530,322           |
| Infogroup, Inc.<br>Term Loan B, 7.50%, 05/26/18  | 3,359,091                        | 3,191,136         |
| Onex Carestream Finance, L.P.<br>Second Lien Term Loan, 9.50%, 12/07/19                          | 5,448,718                        | 5,450,081         |
| SGS Cayman, L.P. (Cayman Islands)<br>Initial Cayman Term Loan, 6.00%, 04/23/21 <sup>(e)</sup>    | 431,493                          | 434,369           |
| Stadium Management Corp. (SMG)<br>Second Lien 2014 Term Loan, 9.25%, 02/27/21 <sup>(b)</sup>     | 2,490,000                        | 2,502,450         |
| Stafford Logistics, Inc. (dba Custom Ecology, Inc.)<br>Term Loan, 6.75%, 06/26/19 <sup>(b)</sup> | 2,427,875                        | 2,330,760         |
| Sutherland Global Services, Inc.<br>Initial U.S. Term Loan, 6.00%, 04/23/21                      | 1,853,674                        | 1,866,028         |
| Tyche Holdings, LLC (aka TransFirst, Inc.)<br>First Lien Term Loan, 5.50%, 11/12/21              | 3,286,473                        | 3,319,338         |
|  |                                  | 27,867,451        |
| <b>SERVICES: CONSUMER - 1.9%</b>   |                                  |                   |
| Laureate Education, Inc.<br>2018 New Series Extended Term Loan, 5.00%, 06/15/18                  | 4,330,899                        | 4,071,045         |
| NVA Holdings, Inc.<br>Second Lien Term Loan, 8.00%, 08/14/22 <sup>(b)</sup>                      | 955,026                          | 958,607           |
|  |                                  | 5,029,652         |
| <b>TELECOMMUNICATIONS - 7.3%</b>   |                                  |                   |
| Altice Financing, S.A. (Luxembourg)  | 1,022,821                        | 1,034,011         |

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Dollar Denominated Tranche Term Loan, 5.25%, 02/04/22<sup>(e)</sup>

CWC Cayman Finance, Limited (Cayman Islands)

|  |           |           |
|--|-----------|-----------|
| Term Loan, 5.50%, 04/28/17 <sup>(e)</sup>              | 1,420,327 | 1,424,751 |
| Unsecured Term Loan, 6.50%, 04/28/17 <sup>(b)(e)</sup> | 1,470,588 | 1,477,941 |
| Global Tel*Link Corp.                                  |           |           |
| First Lien Term Loan, 5.00%, 05/23/20                  | 1,422,560 | 1,407,979 |

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

**TELECOMMUNICATIONS (continued)**

Integra Telecom Holdings, Inc.

|  |           |           |
|--|-----------|-----------|
| Replacement Term Loan, 5.25%, 02/22/19 | 3,357,628 | 3,361,825 |
|--|-----------|-----------|

Ntelos, Inc.

|   |           |           |
|---|-----------|-----------|
| Term Loan B, 5.75%, 11/09/19 <sup>(b)</sup> | 4,018,686 | 3,456,070 |
|---|-----------|-----------|

Securus Technologies Holdings, Inc.

|  |           |           |
|--|-----------|-----------|
| Second Lien Initial Term Loan, 9.00%, 04/30/21 | 5,000,000 | 4,940,000 |
|--|-----------|-----------|

The TelX Group, Inc.

|  |         |         |
|--|---------|---------|
| Second Lien Initial Term Loan, 7.50%, 04/09/21 | 600,000 | 594,750 |
|--|---------|---------|

U.S. TelePacific Corp.

|                                    |           |           |
|------------------------------------|-----------|-----------|
| Advance Term Loan, 6.00%, 11/25/20 | 1,788,081 | 1,789,484 |
|------------------------------------|-----------|-----------|

19,486,811

**TRANSPORTATION: CARGO - 1.8%**

Carrix, Inc.

|                            |           |           |
|----------------------------|-----------|-----------|
| Term Loan, 4.50%, 01/07/19 | 4,030,741 | 3,755,300 |
|----------------------------|-----------|-----------|

OSG Bulk Ships, Inc.

|  |           |           |
|--|-----------|-----------|
| Initial Term Loan, 5.25%,<br>08/05/19 <sup>(b)</sup> | 1,047,088 | 1,042,506 |
|--|-----------|-----------|

4,797,806

**TRANSPORTATION: CONSUMER - 1.0%**

Blue Bird Body Co.

|   |           |           |
|---|-----------|-----------|
| Facility Term Loan, 6.50%,<br>06/26/20 <sup>(b)</sup> | 1,459,467 | 1,461,291 |
|---|-----------|-----------|

Travel Leaders Group, LLC

|  |           |           |
|--|-----------|-----------|
| Tranche B Term Loan, 7.00%,<br>12/05/18 <sup>(b)</sup> | 1,145,089 | 1,147,952 |
|--|-----------|-----------|

2,609,243

**UTILITIES: ELECTRIC - 2.0%**

Granite Acquisition, Inc.

|  |           |           |
|--|-----------|-----------|
| Second Lien Term Loan B, 8.25%, 12/19/22 | 1,309,090 | 1,331,181 |
|--|-----------|-----------|

Pike Corp.

|   |           |           |
|---|-----------|-----------|
| First Lien Initial Term Loan, 5.50%, 12/22/21 | 2,869,367 | 2,882,523 |
|---|-----------|-----------|

|  |           |         |
|--|-----------|---------|
| Second Lien Term Loan, 9.50%, 06/22/22 | 1,000,000 | 995,000 |
|--|-----------|---------|

5,208,704

|  |  |                    |
|--|--|--------------------|
| <b>Total Senior Loans</b><br><b>(Cost \$265,535,388)</b> |  | <b>261,848,988</b> |
|--|--|--------------------|

**Corporate Notes and Bonds - 34.9%**

**AUTOMOTIVE - 0.9%**

|   |           |           |
|---|-----------|-----------|
| American Tire Distributors, Inc.<br>10.25%, 03/01/22 <sup>(g)</sup> | 2,372,000 | 2,478,740 |
|---|-----------|-----------|

**BANKING, FINANCE, INSURANCE & REAL ESTATE - 4.8%**

|   |           |           |
|---|-----------|-----------|
| First Data Corp.<br>10.63%, 06/15/21  | 3,256,000 | 3,719,980 |
| 11.25%, 01/15/21  | 1,190,000 | 1,356,600 |
| Jefferies Finance, LLC / JFIN Co-Issuer Corp.<br>7.38%, 04/01/20 <sup>(g)</sup> | 5,500,000 | 5,362,500 |

4 | See accompanying Notes to Schedule of Investments.

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

|  | <b>Principal<br/>Amount (\$)</b> | <b>Value (\$)</b> |
|--|----------------------------------|-------------------|
| <b>Corporate Notes and Bonds (continued)</b>                                 |                                  |                   |
| <b>BANKING, FINANCE, INSURANCE &amp; REAL ESTATE (continued)</b>             |                                  |                   |
| SquareTwo Financial Corp.<br>11.63%, 04/01/17                                | 2,647,000                        | 2,362,448         |
|  |                                  | 12,801,528        |
| <b>BEVERAGE, FOOD &amp; TOBACCO - 3.6%</b>                                   |                                  |                   |
| Chiquita Brands International, Inc. /Chiquita Brands, LLC<br>7.88%, 02/01/21 | 2,462,000                        | 2,705,122         |
| Land O Lakes Capital Trust I<br>7.45%, 03/15/28 <sup>(g)</sup>               | 4,719,000                        | 5,120,115         |
| NBTY, Inc.<br>9.00%, 10/01/18  | 1,625,000                        | 1,698,125         |
|  |                                  | 9,523,362         |
| <b>CHEMICALS, PLASTICS &amp; RUBBER - 3.1%</b>                               |                                  |                   |
| Magnetation, LLC / Mag Finance Corp.<br>11.00%, 05/15/18 <sup>(g)</sup>      | 3,461,000                        | 1,791,068         |
| Rentech Nitrogen Partners, L.P.<br>6.50%, 04/15/21 <sup>(g)</sup>            | 781,000                          | 761,475           |
| TPC Group, Inc. (Texas Petrochemical)<br>8.75%, 12/15/20 <sup>(g)</sup>      | 6,000,000                        | 5,520,000         |
|  |                                  | 8,072,543         |
| <b>CONSUMER GOODS: NON-DURABLE - 2.0%</b>                                    |                                  |                   |
| American Greetings Corp.<br>7.38%, 12/01/21                                  | 5,000,000                        | 5,362,500         |
| <b>ENERGY: OIL &amp; GAS - 7.4%</b>  |                                  |                   |
| Carrizo Oil & Gas, Inc.<br>7.50%, 09/15/20                                   | 2,905,000                        | 2,999,412         |
| Citgo Holding, Inc.<br>10.75%, 02/15/20 <sup>(g)</sup>                       | 3,000,000                        | 3,097,500         |
| Northern Oil and Gas, Inc.<br>8.00%, 06/01/20                                | 4,000,000                        | 3,570,000         |

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|   |                                  |                   |
|---|----------------------------------|-------------------|
| Rice Energy, Inc.<br>7.25%, 05/01/23 <sup>(g)</sup>                                       | 1,000,000                        | 1,001,250         |
| Sidewinder Drilling, Inc.<br>9.75%, 11/15/19 <sup>(b)(g)</sup>                            | 6,000,000                        | 3,750,000         |
| Summit Midstream Holdings, LLC / Summit Midstream Finance Corp.<br>7.50%, 07/01/21        | 5,000,000                        | 5,225,000         |
|   |                                  | 19,643,162        |
| <b>HEALTHCARE &amp; PHARMACEUTICALS - 1.3%</b>  |                                  |                   |
| Valeant Pharmaceuticals International, Inc. (Canada)<br>7.50%, 07/15/21 <sup>(e)(g)</sup> | 3,200,000                        | 3,472,992         |
| <b>HIGH TECH INDUSTRIES - 1.4%</b>  |                                  |                   |
| Cimpres NV (Netherlands)<br>7.00%, 04/01/22 <sup>(e)(g)</sup>                             | 3,000,000                        | 3,048,750         |
| TIBCO Software, Inc.<br>11.38%, 12/01/21 <sup>(g)</sup>                                   | 683,000                          | 694,099           |
|   |                                  | 3,742,849         |
|   | <b>Principal<br/>Amount (\$)</b> | <b>Value (\$)</b> |
| <b>MEDIA: ADVERTISING, PRINTING &amp; PUBLISHING - 0.6%</b>                               |                                  |                   |
| Acosta, Inc.<br>7.75%, 10/01/22 <sup>(g)</sup>  | 1,600,000                        | 1,658,000         |
| <b>MEDIA: BROADCASTING &amp; SUBSCRIPTION - 3.3%</b>                                      |                                  |                   |
| Columbus International, Inc. (Barbados)<br>7.38%, 03/30/21 <sup>(e)(g)</sup>              | 3,285,000                        | 3,465,675         |
| Intelsat Luxembourg, S.A.<br>7.75%, 06/01/21 <sup>(e)</sup>                               | 3,000,000                        | 2,778,750         |
| Radio One, Inc.<br>9.25%, 02/15/20 <sup>(g)</sup>   | 2,484,000                        | 2,384,640         |
|   |                                  | 8,629,065         |
| <b>MEDIA: DIVERSIFIED &amp; PRODUCTION - 1.2%</b>   |                                  |                   |
| SiTV, Inc.<br>10.38%, 07/01/19 <sup>(g)</sup>   | 3,420,000                        | 3,078,000         |
| <b>METALS &amp; MINING - 1.3%</b>   |                                  |                   |
| Molycorp, Inc.<br>10.00%, 06/01/20  | 6,818,000                        | 3,528,315         |
| <b>SERVICES: CONSUMER - 2.0%</b>  |                                  |                   |
| Laureate Education, Inc.<br>10.00%, 09/01/19 <sup>(g)</sup>                               | 2,000,000                        | 1,900,000         |
| StoneMor Partners, L.P./Cornerstone Family Services of West Virginia                      | 3,296,000                        | 3,477,280         |



7.88%, 06/01/21

5,377,280

**TELECOMMUNICATIONS - 2.0%**

Avaya, Inc.

9.00%, 04/01/19<sup>(g)</sup>

5,255,000

5,412,650

**Total Corporate Notes and Bonds****(Cost \$99,700,687)****92,780,986****Structured Products - 14.6%<sup>(h)</sup>**

Anchorage Capital CLO, Ltd. (Cayman Islands)

Series 2015-6A, Class E2, 7.10%, 04/15/27<sup>(b)(e)(g)(i)</sup>

4,400,000

4,356,000

Atlas Senior Loan Fund, Ltd. (Cayman Islands)

Series 2012-1A, Class B3L, 7.76%, 08/15/24<sup>(b)(e)(g)(i)</sup>

5,000,000

4,962,500

Battalion CLO, Ltd. (Cayman Islands)

Series 2012-3A, Class D, 5.56%, 01/18/25<sup>(e)(g)(i)</sup>

1,650,000

1,532,355

Cent CLO, L.P. (Cayman Islands)

Series 2013-17A, Class D, 6.25%, 01/30/25<sup>(b)(e)(g)(i)</sup>

4,000,000

3,902,000

CIFC Funding, Ltd. (Cayman Islands)

Series 2012-2X, Class B2L, 6.27%, 12/05/24<sup>(b)(e)(i)</sup>

3,000,000

2,970,000

Dryden Senior Loan Fund (Cayman Islands)

Series 2012-24A, Class E, 6.16%, 11/15/23<sup>(b)(e)(g)(i)</sup>

1,000,000

986,700

See accompanying Notes to Schedule of Investments. | 5

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

|  | <b>Principal<br/>Amount (\$)</b> | <b>Value (\$)</b> |
|--|----------------------------------|-------------------|
| <b>Structured Products<sup>(h)</sup> (continued)</b>   |                                  |                   |
| ECP CLO, Ltd. (Cayman Islands)<br>Series 2014-6, 6.78%,<br>07/15/26 <sup>(b)(e)(g)(i)</sup>                                | 4,000,000                        | 3,733,880         |
| JFIN CLO, Ltd. (Cayman Islands)<br>Series 2013-II, Class E, 6.26%, 01/20/25 <sup>(b)(e)(i)</sup>                           | 2,000,000                        | 1,709,000         |
| Series 2015-1A, Class E,<br>5.00%, 03/15/26 <sup>(b)(e)(g)(i)</sup>  | 2,500,000                        | 2,034,375         |
| Marea CLO, Ltd. (Cayman Islands)<br>Series 2012-1A, Class E, 6.35%, 10/16/23 <sup>(b)(e)(g)(i)</sup>                       | 4,000,000                        | 3,952,588         |
| NXT Capital CLO, LLC 2014-1<br>Series 2014-1, 5.76%,<br>04/23/26 <sup>(b)(g)(i)</sup>                                      | 5,000,000                        | 4,350,000         |
| OCP CLO, Ltd. (Cayman Islands)<br>Series 2014-5A, Class E, 5.51%, 04/26/26 <sup>(b)(e)(g)(i)</sup>                         | 3,000,000                        | 2,385,000         |
| Octagon Investment Partners XIV, Ltd. (Cayman Islands)<br>Series 2012-1A, Class E, 6.75%, 01/15/24 <sup>(b)(e)(g)(i)</sup> | 2,200,000                        | 1,975,248         |
| <b>Total Structured Products<br/>(Cost \$40,016,495)</b>   |                                  | <b>38,849,646</b> |

|   | <b>Share<br/>Quantity</b> | <b>Value (\$)</b> |
|---|---------------------------|-------------------|
| <b>Preferred Stock - 1.5%</b>                               |                           |                   |
| <b>BANKING, FINANCE, INSURANCE &amp; REAL ESTATE - 1.5%</b> |                           |                   |
| Watford Holdings, Ltd. (Bermuda)<br>8.50% <sup>(b)(e)</sup> | 160,000                   | 3,920,000         |
| <b>Total Preferred Stock<br/>(Cost \$3,920,000)</b>         |                           | <b>3,920,000</b>  |
| <b>Warrants - 0.0%</b>                                      |                           |                   |
| <b>BANKING, FINANCE, INSURANCE &amp; REAL ESTATE - 0.0%</b> |                           |                   |
| Medical Card System, Inc.                                   | 50,689                    |                   |

07/26/18<sup>(b)(j)</sup>

**Total Warrants**  
(Cost \$ )

|   |                      |
|---|----------------------|
| <b>Total Investments-149.5%</b><br>(Cost of \$409,172,570) <sup>(k)</sup> | <b>397,399,620</b>   |
| <b>Other Assets &amp; Liabilities, Net-2.4%</b>                           | <b>6,375,738</b>     |
| <b>Loan Outstanding-(51.9)%</b>   | <b>(138,000,000)</b> |
| <b>Net Assets -100.0%</b>   | <b>265,775,358</b>   |

6 | See accompanying Notes to Schedule of Investments.

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

- (a) Senior Loans are senior, secured loans made to companies whose debt is rated below investment grade and investments with similar characteristics. Senior Loans typically hold a first lien priority and pay interest at rates that are determined periodically on the basis of a floating base lending rate plus a spread. Unless otherwise identified, all Senior Loans carry a variable rate of interest. These base lending rates are primarily the London Interbank Offered Rate ( LIBOR ) and secondarily the prime rate offered by one or more major U.S. banks and the certificate of deposit rate used by commercial lenders. The rates shown represent the weighted average rate at March 31, 2015. Senior Loans are generally not registered under the Securities Act of 1933 (the 1933 Act ) and often contain certain restrictions on resale and cannot be sold publicly. Senior Loans often require prepayments from excess cash flow or permit the borrower to repay at its election. The degree to which borrowers repay, whether as a contractual requirement or at their election, cannot be predicted with accuracy. As a result, the actual maturity may be substantially less than the stated maturity shown.

Senior Loan assets may have additional unfunded loan commitments. As of March 31, 2015, the Apollo Tactical Income Fund Inc. had unfunded loan commitments, which could be extended at the option of the borrower, pursuant to the following loan agreements:

| <b>Borrower</b>                   | <b>Unfunded Loan Commitments</b> |
|-----------------------------------|----------------------------------|
| Charger OpCo B.V. (Oak Tea, Inc.) | \$ 3,745,300                     |
| Total Unfunded Loan Commitments   | \$ 3,745,300                     |

- (b) Fair Value Level 3 security. All remaining securities are categorized as Level 2.
- (c) Fixed rate asset.
- (d) All or a portion of this Senior Loan position has not settled. Full contract rates do not take effect until settlement date.
- (e) Foreign issuer traded in U.S. dollars.
- (f) Represents a payment-in-kind ( PIK ) security which may pay interest in additional principal amount.
- (g) 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, 2015, these securities amounted to \$88,168,100, or 33.2% of net assets.
- (h) 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

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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 which, due to the diversification of the underlying risk, generally represent a lower level of risk than the original assets. The redemption of the securities issued by the SPV typically takes place at maturity out of the cash flow generated by the collected claims.

- (i) Floating rate asset. The interest rate shown reflects the rate in effect at March 31, 2015.
- (j) Non income-producing asset.
- (k) 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 are as follows:

|                               |                 |
|-------------------------------|-----------------|
| Gross unrealized appreciation | \$ 5,911,591    |
| Gross unrealized depreciation | (17,686,890)    |
| Net unrealized depreciation   | \$ (11,775,299) |

See accompanying Notes to Schedule of Investments. | 7

**Apollo Tactical Income Fund Inc.**

**Notes to Schedule of Investments**

**March 31, 2015 (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, preferred stock and warrants are priced based on valuations provided by an approved independent pricing service or broker, if available. If market or broker quotations are not available or a price is not available from an independent pricing service or broker, or if the price provided by the independent pricing service or broker is believed to be unreliable, the security will be fair valued pursuant to procedures adopted by the Fund's board of directors (the Board). In general, the fair value of a security is the amount that the Fund might reasonably expect to receive upon the sale of an asset or pay to transfer a liability in an orderly transaction between willing market participants at the reporting date. Fair value procedures generally take into account any factors deemed relevant, which may include, among others, (i) the nature and pricing history of the security, (ii) the liquidity or illiquidity of the market for the particular security, (iii) recent purchases or sales transactions for the particular security or similar securities, and (iv) press releases and other information published about the issuer. In these cases, the Fund's net asset value (NAV) will reflect the affected portfolio securities' fair value as determined in the judgment of the Board or its designee instead of being determined by the market. Using a fair value pricing methodology to value securities may result in a value that is different from a security's most recent sale price and from the prices used by other investment companies to calculate their NAV. Determination of fair value is uncertain because it involves subjective judgments and estimates. There can be no assurance that the Fund's valuation of a security will not differ from the amount that it realizes upon the sale of such security.

**Fair Value Measurements**

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

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

Level 2 Quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, but are valued based on executed trades, broker quotations that constitute an executable price, and alternative pricing sources supported by observable inputs which, in each case, are either directly or indirectly observable for the asset in connection with market data at the measurement date; and

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

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

**Apollo Tactical Income Fund Inc.****Notes to Schedule of Investments (continued)****March 31, 2015 (unaudited)**

The valuation techniques used by the Fund to measure fair value at March 31, 2015 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, 2015 is as follows:

**Apollo Tactical Income Fund Inc.**

|   | Total Fair Value<br>at<br>March 31,<br>2015 |                    | Level 1<br>Quoted Price | Level 2<br>Significant<br>Observable<br>Inputs | Level 3<br>Significant<br>Unobservable<br>Inputs |
|---|---|--------------------|-------------------------|--|--|
| <b>Assets:</b>  |   |                    |                         |  |  |
| Cash and Cash Equivalents                               | \$  | 13,815,313         | \$ 13,815,313           | \$   | \$   |
| Senior Loans  |   | 261,848,988        |                         | 194,227,838                                    | 67,621,150                                       |
| Corporate Notes and Bonds                               |   | 92,780,986         |                         | 89,030,986                                     | 3,750,000  |
| Structured Products                                     |   | 38,849,646         |                         | 1,532,355                                      | 37,317,291                                       |
| Preferred Stock   |   | 3,920,000          |                         |  | 3,920,000  |
| Warrants  |   |                    |                         |  |  |
| Unrealized appreciation on Unfunded Loan<br>Commitments |   | 61,090             |                         | 61,090   |  |
| <b>Total Assets</b>                                     | <b>\$</b>                                   | <b>411,276,023</b> | <b>\$13,815,313</b>     | <b>\$ 284,852,269</b>                          | <b>\$ 112,608,441</b>                            |

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

|  | Total Fair<br>Value | Senior<br>Loans | Corporate<br>Notes<br>and Bonds | Structured<br>Products | Preferred<br>Stock | Warrants |
|--|---------------------|-----------------|---------------------------------|------------------------|--------------------|----------|
|  |                     |                 |                                 |                        |                    |          |



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|  |                |               |               |               |              |            |
|--|----------------|---------------|---------------|---------------|--------------|------------|
| Fair Value, beginning of period                      | \$ 129,149,862 | \$ 67,400,467 | \$ 27,031,563 | \$ 30,795,044 | \$ 3,920,000 | \$ 2,788   |
| Purchases, including capitalized PIK                 | 13,185,394     | 6,795,019     |               | 6,390,375     |              |            |
| Sales  | (11,305,195)   | (4,090,260)   | (7,214,935)   |               |              |            |
| Accretion/(amortization) of discounts/(premiums)     | 44,843         | 26,852        | (10,568)      | 28,559        |              |            |
| Net realized gain/(loss)                             | 211,975        | 17,681        | 194,294       |               |              |            |
| Change in net unrealized appreciation/(depreciation) | (207,584)      | (622,483)     | 314,374       | 103,313       |              | \$ (2,788) |
| Transfers into Level 3                               | 16,281,082     | 16,281,082    |               |               |              |            |
| Transfers out of Level 3                             | (34,751,936)   | (18,187,208)  | (16,564,728)  |               |              |            |
| Total Fair Value, end of period                      | \$ 112,608,441 | \$ 67,621,150 | \$ 3,750,000  | \$ 37,317,291 | \$ 3,920,000 | \$         |

Investments were transferred into Level 3 during the three months ended March 31, 2015 due to a decrease in the availability of qualified observable inputs obtained to support the fair value of each investment as assessed by Apollo Credit Management, LLC, the Fund's investment adviser (the Adviser). Transfers out of Level 3 during the three months ended March 31, 2015 were due to an increase in the availability of qualified observable inputs as assessed by the Adviser. 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, 2015 was \$(243,087).

**Apollo Tactical Income Fund Inc.****Notes to Schedule of Investments (continued)****March 31, 2015 (unaudited)**

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

**Apollo Tactical Income Fund Inc.**

| Assets                    | Fair Value at March 31, 2015 | Valuation Technique(s)                           | Unobservable Input(s)                        | Range of Unobservable Input(s) Utilized |
|---------------------------|------------------------------|--|--|---|
| Senior Loans              | \$ 64,444,700                | Independent pricing service and/or broker quotes | Vendor and/or broker quotes                  | N/A                                     |
|                           | 3,176,450                    | Market comparable approach <sup>(a)</sup>        | Total enterprise value/EBITDA <sup>(a)</sup> | 6.8x                                    |
| Corporate Notes and Bonds | 3,750,000                    | Independent pricing service and/or broker quotes | Vendor and/or broker quotes                  | N/A                                     |
| Structured Products       | 37,317,291                   | Independent pricing service and/or broker quotes | Vendor and/or broker quotes                  | N/A                                     |
| Preferred Stock           | 3,920,000                    | Discounted cash flow <sup>(b)</sup>              | Discount rate <sup>(b)</sup>                 | 8.67%                                   |
| Warrants                  |                              | Market comparable approach <sup>(a)</sup>        | Total enterprise value/EBITDA <sup>(a)</sup> | 6.8x                                    |
| Total Fair Value          | \$ 112,608,441               |  |  |   |

(a) The Fund utilized a market comparable approach to fair value a senior loan and associated common stock warrants. The significant unobservable inputs used in the valuation model were total enterprise value and earnings before interest, taxes, depreciation and amortization ( EBITDA ) based on comparable multiples for a similar investment with similar risks. Significant increases or decreases in either of these inputs in isolation may result in a significantly higher or lower fair value measurement.

(b) The Fund utilized a discounted cash flow model to fair value the preferred stock. 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.

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

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**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 their 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.**

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 05/20/15

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 05/20/15

By (Signature and Title) /s/ Frank Marra

Frank Marra, Treasurer and Chief Financial Officer

(principal financial officer)

Date 05/20/15