

# Owl Rock Capital Corporation II

Fund Performance | 1Q 2021



## A Private Credit Strategy Seeking Income Potential

Owl Rock Capital Corporation II (“ORCC II”) is a private credit strategy structured as a non-traded business development company<sup>1</sup> that offers the potential to generate income by originating loans to, and making debt investments in, middle market companies. ORCC II is managed by Owl Rock Capital Advisors.

Owl Rock is a leading direct lending platform with:

**\$27.8B**

Assets Under Management<sup>2</sup>

Leveraging Owl Rock’s institutional backing and deep relationships in the private equity market, ORCC II’s current portfolio consists of:

**\$2.2B**

Total Asset Value<sup>3</sup>

**116**

Portfolio Companies

## Annualized Distribution Rate<sup>4</sup>

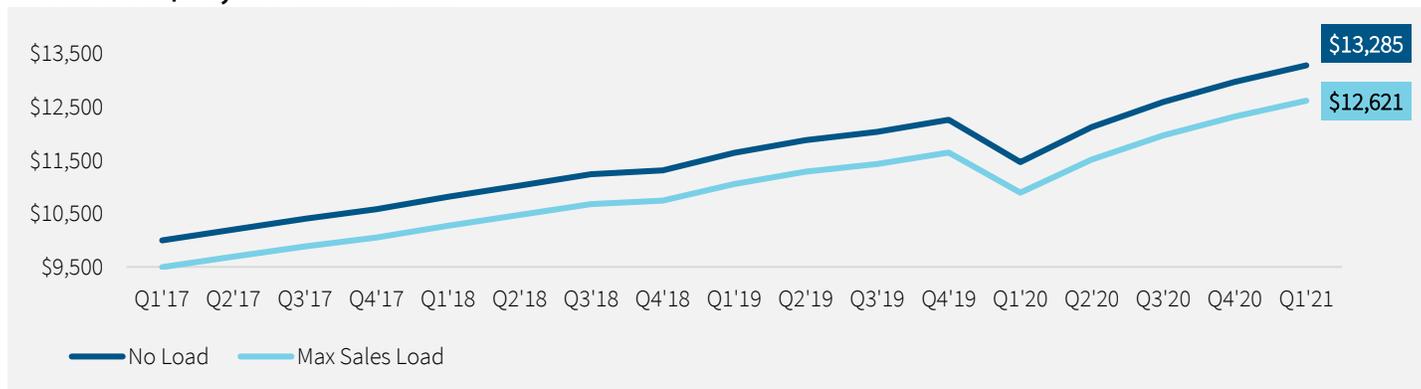
Advisory

**6.7%**

Brokerage

**6.4%**

## Growth of \$10,000 Investment<sup>5</sup>



## Total Shareholder Returns<sup>5,6</sup>

YTD	Without Sales Charge					With Maximum Sales Charge
	Last Twelve Months	Annualized 3-Year	Annualized 5-Year	Annualized Since Inception	Cumulative Since Inception	Cumulative Since Inception
1.8%	15.6%	7.6%	N/A	8.2%	32.9%	26.2%

Past performance is not a guarantee of future results. All data as of 03/31/21 unless otherwise noted.

This is neither an offer to sell nor a solicitation of an offer to buy the securities described herein. Only a prospectus for Owl Rock Capital Corporation II can make such an offer. This material is authorized only when it is accompanied or preceded by the Owl Rock Capital Corporation II prospectus. Neither the SEC, the Attorney General of the State of New York nor any state securities commission has approved or disapproved of these securities or determined if the prospectus is truthful or complete. Any representation to the contrary is a criminal offense. Securities are offered through Blue Owl Securities LLC, member of FINRA/SIPC, as Dealer Manager.

FOR EXISTING INVESTOR USE ONLY. OWL ROCK CAPITAL CORPORATION II IS NOW CLOSED TO NEW INVESTORS.

## An Investment Methodology Designed for Changing Markets

**96%**  
Senior  
Secured Loans

Collateralized by a borrower's assets and have the highest payment priority in a borrower's capital structure<sup>7</sup>

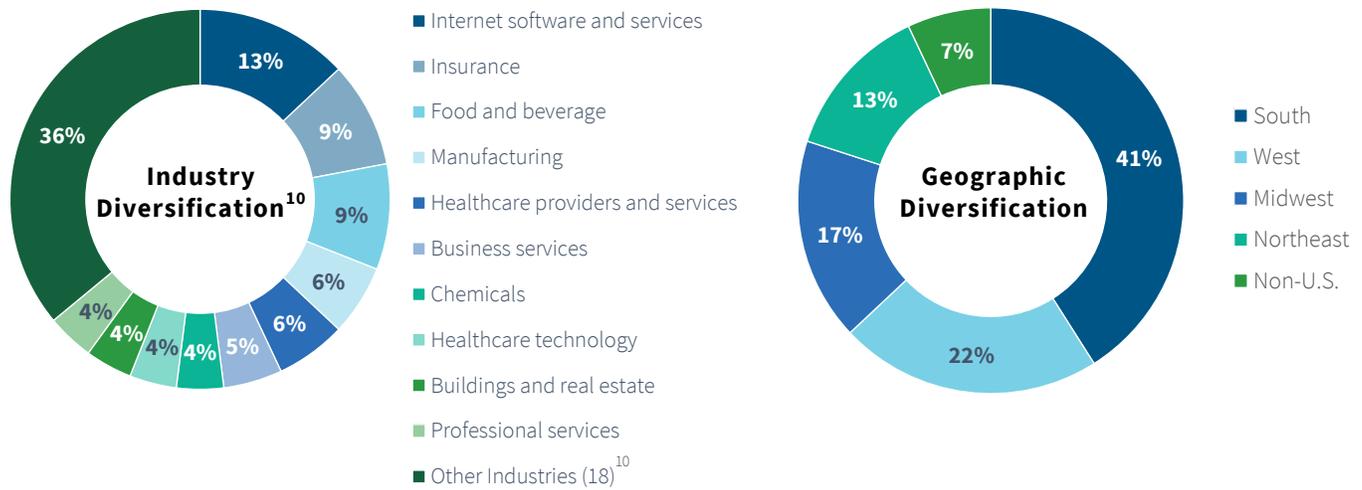
**97%**  
Floating Rate  
Debt Investments

When interest rates rise, the interest rate on a floating rate loan also rises, which may provide investors with the potential for a higher income stream.<sup>8</sup>

**\$499M**  
Middle  
Market Business

ORCC II's borrowers are middle market businesses with a weighted average annual revenue of \$499 million.<sup>9</sup>

## A Diversified Portfolio That Seeks to Mitigate Risk



## Historical Net Asset Value Per Share



Past performance is not a guarantee of future results.

## Footnotes

1. Business development companies (BDCs) were created by Congress in 1980 to encourage the flow of capital to small- and medium-size American companies to help them grow. They provide investors with exposure to investments in predominantly private companies, which are typically difficult to access.
2. As of March 31, 2021, ("AUM") is calculated as the sum of the total assets managed, undrawn debt (at the product-level including amounts subject to certain types of restrictions) and uncalled committed equity capital (including commitments to products that have yet to commence their investment periods).
3. As of March 31, 2021. Based on fair value and shown net of unfunded commitment amounts. Fair value is determined in good faith by ORCC II's board of directors and reviewed by the Adviser's valuation committee. Valuations may change over time.
4. The distribution rate shown is calculated by annualizing the weekly declared distributions per share and dividing by the most recently published public offering price as of March 24, 2021. The annualized distribution rate shown may be rounded. The payment of future distributions is subject to the discretion of ORCC II's board of directors and applicable legal restrictions, therefore there can be no assurance as to the amount or timing of any such future distributions. Distributions are not guaranteed. Up to 100% of distributions have been funded and may continue to be funded by the reimbursement of certain expenses that are subject to repayment to the Adviser of ORCC II. Such waivers and reimbursements by the Adviser may not continue in the future. For the quarter that ended on March 31, 2021, if the Adviser had not agreed to reimburse certain expenses for ORCC II, 6.5% of the distributions paid would have come from offering proceeds. The repayment of amounts owed to the Adviser will reduce the future distributions to which investors would otherwise be entitled.
5. Returns reflect reinvestment of distributions and the deduction of ongoing expenses that are borne by investors, such as management fees, incentive fees, interest expense, offering costs, professional fees, director fees and other general and administrative expenses. An investment in ORCC II is subject to a maximum upfront sales load of 5% of the offering price, which will reduce the amount of capital available for investment. Operating expenses may vary in the future based on the amount of capital raised, the Adviser's election to continue expense support, and other unpredictable variables.
6. Compounded monthly.
7. Collateral securing any loan may lose some or all of its value over time, which could have adverse consequences on ORCC II, including loss of principal. Data represents entire portfolio.
8. Floating rate loans are subject to risk factors, including credit risk, liquidity risk and interest rate risk and floating rate loans can lose significant value. Percentage represents ORCC II's debt investments.
9. Refers to companies with EBITDA between \$10 million and \$250 million annually and/or annual revenue of \$50 million to \$2.5 billion at the time of investment. Investing in privately held middle market companies presents certain challenges and risks, including the lack of available information and the fact that these companies are often rated below investment grade by rating agencies or would be rated below investment grade if they were rated. Excludes certain investments that fall outside our typical borrower profile. Figure represents weighted averages of 91.4% of ORCC II's portfolio.
10. Other industries include 4% Healthcare equipment and services, 4% Consumer products, 4% Distribution, 3% Financial services, 3% Education, 3% Specialty retail, 3% Transportation, 3% Aerospace and defense, 2% Household products, 2% Containers and packaging, 2% Oil and gas, 2% Leisure and entertainment, 1% Automotive, 1% Advertising and media, 1% Infrastructure and environmental services, <1% Energy equipment and services, <1% Telecommunications, <1% Human resource support services. Diversification will not guarantee profitability or protection against loss. Industry breakdown may sum greater than 100% due to rounding.

## Risk Factors

An investment in Owl Rock Capital Corporation II ("ORCC II") is speculative and involves a high degree of risk, including the risk of a substantial loss of investment, as well as substantial fees and costs, all of which can impact an investor's return. The following are some of the risks involved in an investment in ORCC II's common shares; however, an investor should carefully consider the fees and expenses and information found in the "Risk Factors" section of the ORCC II prospectus before deciding to invest:

- You should not expect to be able to sell your shares regardless of how we perform and you should consider that you may not have access to the money you invest for an indefinite period of time. An investment in shares of our common stock is not suitable for you if you need access to the money you invest.
- We do not intend to list our shares on any securities exchange for what may be a significant time after the first closing of this offering, and we do not expect a secondary market in our shares to develop. As a result, you may be unable to reduce your exposure in any market downturn. If you are able to sell your shares before a liquidity event is completed, you will likely receive less than your purchase price.
- We have implemented a share repurchase program pursuant to which we intend to continue to conduct quarterly repurchases of a limited number of outstanding shares of our common stock. Our board of directors has complete discretion to determine whether we will engage in any share repurchase, and if so, the terms of such repurchase. We intend to limit the number of shares to be repurchased in each quarter to the lesser of (a) 2.5% of the weighted average number of shares of our common stock outstanding in the prior 12-month period and (b) the number of shares we can repurchase with the proceeds we receive from the sale of shares of our common stock under our distribution reinvestment plan. While we intend to continue to conduct quarterly tender offers as described above, we are not required to do so and may suspend or terminate the share repurchase program at any time.
- Distributions on our common stock may exceed our taxable earnings and profits, particularly during the period before we have substantially invested the net proceeds from our public offering. Therefore, portions of the distributions that we pay may represent a return of capital to you. A return of capital is a return of a portion of your original investment in shares of our common stock. As a result, a return of capital will (i) lower your tax basis in your shares and thereby increase the amount of capital gain (or decrease the amount of capital loss) realized upon a subsequent sale or redemption of such shares, and (ii) reduce the amount of funds we have for investment in portfolio companies. We have not established any limit on the extent to which we may use offering proceeds to fund distributions.

## Risk Factors – Continued

- Distributions may also be funded in significant part, directly or indirectly, from (i) the waiver of certain investment advisory fees, that will not be subject to repayment to our Adviser and/or (ii) the deferral of certain investment advisory fees that may be subject to repayment to our Adviser and/or (iii) the reimbursement of certain operating expenses, that will be subject to repayment to our Adviser and its affiliates. Significant portions of distributions may not be based on investment performance. In the event distributions are funded from waivers and/or deferrals of fees and reimbursements by our affiliates, such funding may not continue in the future. If our affiliates do not agree to reimburse certain of our operating expenses or waive certain of their advisory fees, then significant portions of our distributions may come from offering proceeds or borrowings. The repayment of any amounts owed to our affiliates will reduce future distributions to which you would otherwise be entitled.
- We have a limited operating history and we have not identified specific investments that we will make with the proceeds of this offering, so we may be considered a blind pool because an investor may not have the opportunity to evaluate historical data or assess future investments prior to purchasing our shares.
- The payment of fees and expenses will reduce the funds available for investment, the net income generated, the funds available for distribution and the book value of the common shares. In addition, the fees and expenses paid will require investors to achieve a higher total net return in order to recover their initial investment. Please see ORCC II's prospectus for details regarding its fees and expenses.
- We intend to invest in securities that are rated below investment grade by rating agencies or that would be rated below investment grade if they were rated. Below investment grade securities, which are often referred to as "junk," have predominantly speculative characteristics with respect to the issuer's capacity to pay interest and repay principal. They may also be illiquid and difficult to value.

## Important Information

Unless otherwise indicated, the Report Date reference is 3/31/2021.

**Past performance is not a guide to future results and is not indicative of expected realized returns.**

**Assets Under Management ("AUM") is calculated as the sum of the total assets managed, undrawn debt (at the product-level including amounts subject to certain types of restrictions) and uncalled committed equity capital (including commitments to products that have yet to commence their investment periods).**

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