Apollo Senior Floating Rate Fund Inc.
Form N-CSRS
August 24, 2017

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT

INVESTMENT COMPANIES

Investment Company Act file number 811-22481

Apollo Senior Floating Rate 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: June 30, 2017

Item 1. Reports to Stockholders.

The Report to Shareholders is attached herewith.

Apollo Senior Floating Rate Fund Inc. (NYSE: AFT)

Apollo Tactical Income Fund Inc. (NYSE: AIF)

Semi-Annual Report

June 30, 2017

(unaudited)

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Economic and market conditions change frequently.

There is no assurance that the trends described in this report will continue or commence.

This report, including the financial information herein, is transmitted to shareholders of the Funds for their information. It is not a prospectus. Past performance results shown in this report should not be considered a representation of future performance. Statements and other information herein are as dated and are subject to change.

Apollo Senior Floating Rate Fund Inc.

Apollo Tactical Income Fund Inc.

Manager Commentary (unaudited)

As of June 30, 2017

Dear Shareholders,

We would like to start by saying thank you for your interest in the Apollo Senior Floating Rate Fund Inc. and the Apollo Tactical Income Fund Inc. (the Funds). We appreciate the trust and confidence you have placed with us through your investment in the Funds. Much of this year has represented a continuation of the last as buoyant conditions for the corporate credit markets have persisted against the backdrop of benign fundamentals, and with most of this marked by a lack of volatility. There have been different versions of this largely positive market environment. Substantial demand for floating-rate credit over the first half of the year driven by expectations for higher rates flagged somewhat coming into the summer, as US Treasury yields came off their highest levels of 2017, but overall the US high-yield and leveraged loan markets have seen heavy demand over the first half of this year. The broader themes that have been most impactful on these markets not only in 2017 but over much of 2016 as well include a yield-starved investor base reaching increasingly farther afield and working a broader opportunity set to put capital to work at appropriate rates, and a supply of loans and bonds that has seen sporadic levels of more robust issuance but remains limited, relative to demand, by similarly limited corporate activity in the public markets and a difficult buyout environment for sponsors given lofty valuations for most companies, this despite historically low levels for the cost of acquisition capital. As per the broadly used BofA/Merrill Lynch US High Yield Index and the S&P/LSTA Leveraged Loan Index, the bond and loan markets returned +4.9% and +1.9%, respectively, over the first half of 2017. There have been examples of performance that have been potentially indicative of renewed periods of volatility, including a substantial rally in levels for energy-related loans and bonds in the first two months of the year that faded as commodity levels came under pressure, and a brief period in early June during which floating-rate fund flows turned slightly negative as market yields moved lower. But, for the most part, the broader loan and bond markets have experienced positive total returns in a nearly straight line over the course of the year.

The investing environment over the first half of 2017 was very different than the same period the year before. Wherein the first half of 2016 was marked by limited supply and more limited competition for paper, leading to tighter structures and generally higher pricing by rating than was experienced in the second half of the year and currently, the enormous inflows that open-ended floating-rate funds experienced beginning just after the election and into 2017 coupled with outsized CLO creation has led to a much more competitive dynamic around securing both bonds and loans at attractive rates and within attractive structures. At the same time, while the supply figures that represent market activity have been relatively high, a more nuanced view suggests the benefits of this supply to lenders have been limited and represented the taking advantage of issuer-friendly conditions by opportunistic borrowers. At the end of the second quarter of 2017 leveraged loan new-issue activity stood at $577Bn, which would be the second highest such annual total on record (behind just 2013) and compare to $161Bn in loan issuance over the same period in 2016. However, when you net that figure of repricing and refinancing activity, which in a positive market does not usually represent opportunities for investors to make new investments, that supply number stands at just $141Bn YTD, meaning nearly 76% of 2017 s new loan issuance has been for refinancing or repricing purposes. This kind of situation admittedly makes for more difficult periods for credit investors. The repricing phenomenon the leveraged loan markets have been experiencing essentially since the beginning of 2017 is a function of this heavy demand, limited supply, and a result of prevailing secondary loan prices moving through par. This phenomenon has impacted the Funds as it has impacted all corporate credit investors.

In such market conditions, when demand is overriding supply, our focus for the Funds is primarily on managing the existing portfolio, avoiding crowded situations where this demand is leading to activities on behalf of lenders being forced to put capital to work, and identifying opportunities that may be overlooked by the broader investing community or represent situations that others cannot participate in. Fundamentally, away from industries that are seeing unique competitive pressures due either to continued commodity volatility (Energy, Metals & Mining) or to changes in business models and consumer activities (Retail), we are generally seeing good fundamental performance in the corporate credit markets and in the areas where we invest. While the US leveraged loan default rate ticked up in June by 12 basis points to 1.54%, it stood much closer to the low of the last twelve months (1.41% in February) than the high of 2.17% in July 2016. That said, given where valuations have stretched on the basis of yield, spread and leverage, amongst other measures, we remain focused on positioning the portfolio defensibly where possible and on the fundamentals of the credits where we are invested. With regards to new opportunities, operating outside the consensus view is a particular focus at Apollo, and we believe active managers of funds that are closed to regular periods of inflows can operate more efficiently. As we regularly posit, we would welcome periods of volatility over the latter half of the year that would change the competitive dynamic and create the kinds of investing opportunities that have historically been most attractive to the Funds.

We appreciate your interest and support in the Funds. If you have any questions about the Funds, please call 1-888-301-3838, or visit our website at www.agmfunds.com.

Sincerely,

Apollo Credit Management, LLC

Apollo Senior Floating Rate Fund Inc.

Financial Data

As of June 30, 2017 (unaudited)

Portfolio Composition (as % of Current Market Value of Investment Securities)	
Loans	89.8%
High Yield Bonds	9.2%
Equity/Other	1.0%

Portfolio Characteristics [a]	
Weighted Average Floating-Rate Spread	4.60%
Weighted Average Fixed-Rate Coupon	7.75%
Weighted Average Maturity (in years) (floating assets)	4.95
Weighted Average Maturity (in years) (fixed assets)	5.39
Weighted Average Modified Duration (in years) (fixed assets)	2.80
Average Position Size	$ 1,798,267
Number of Positions	240
Weighted Average S&P Rating[h]	B
Weighted Average Rating Factor (Moody's)[h]	2,986

Credit Quality [b]	
BBB	0.6%
BB	13.0%
B	67.0%
CCC+ or Lower	13.9%
Not Rated	5.5%

Top 5 Industries (as % of Current Market Value of Investment Securities) [c]	
Services: Business	13.9%
High Tech Industries	11.4%
Healthcare & Pharmaceuticals	11.3%
Telecommunications	7.6%
Banking, Finance, Insurance & Real Estate	7.6%
Total	**51.8%**

Top 10 Issuers (as % of Current Market Value of Investment Securities) [d]	
Medical Solutions Holdings, Inc.	1.7%
Onex Carestream Finance, L.P.	1.6%
Asurion, LLC	1.6%

EIG Investors Corp.	1.5%
Intelsat Jackson Holdings S.A.	1.5%
William Morris Endeavor Entertainment, LLC	1.4%
NVA Holdings, Inc.	1.4%
Evergreen Skills Lux. S.A.R.L.	1.3%
Scientific Games International, Inc.	1.3%
Securus Technologies Holdings, Inc.	1.3%
Total	**14.6%**

Performance Comparison

	YTD	5 Yr	Since Inception[i]
AFT - Market Price	(0.01)%[e]	5.99%[e][f]	4.44%[e][f]
AFT - NAV	3.19%[e]	7.11%[e][f]	6.35%[e][f]
S&P/LSTA Leveraged Loan Index [g]	1.91%	4.58%[f]	4.14%[f]

(a) Averages based on par value of investment securities, except for the weighted average modified duration, which is based on market value.

(b) Credit quality is calculated as a percentage of fair value of investment securities at June 30, 2017. The quality ratings reflected were issued by S&P Global Ratings (S&P), an internationally recognized statistical rating organization. Credit quality ratings reflect the rating agency s opinion of the credit quality of the underlying positions in the Fund s portfolio and not that of the Fund itself. Credit quality ratings are subject to change.

(c) The industry classifications reported are from widely recognized market indexes or rating group indexes, and/or as defined by Fund management, with the primary source being Moody s, an internationally recognized statistical rating organization.

(d) Holdings are subject to change and are provided for informational purposes only.

(e) Performance reflects total return assuming all distributions were reinvested at the dividend reinvestment rate. Past performance does not necessarily indicate how the Fund will perform in the future. The performance information provided does not reflect the deduction of taxes that a shareholder would pay on distributions received from the Fund.

(f) Annualized.

(g) The S&P/LSTA Leveraged Loan Index is a broad index designed to reflect the performance of the U.S. dollar facilities in the leveraged loan market.

(h) Excludes securities with no rating or in default as of June 30, 2017.

(i) Inception date February 23, 2011.

Apollo Tactical Income Fund Inc.

Financial Data

As of June 30, 2017 (unaudited)

Portfolio Composition (as % of Current Market Value of Investment Securities)	
Loans	76.7%
High Yield Bonds	12.5%
Structured Products	9.8%
Equity/Other	1.0%

Portfolio Characteristics [(a)]	
Weighted Average Floating-Rate Spread	5.15%
Weighted Average Fixed-Rate Coupon	7.38%
Weighted Average Maturity (in years) (floating assets)	5.46
Weighted Average Maturity (in years) (fixed assets)	5.17
Weighted Average Modified Duration (in years) (fixed assets)	2.95
Average Position Size	$ 1,767,854
Number of Positions	227
Weighted Average S&P Rating[(h)]	B
Weighted Average Rating Factor (Moody's)[(h)]	2,967

Credit Quality [(b)]	
BBB	0.6%
BB	13.2%
B	58.8%
CCC+ or Lower	14.3%
Not Rated	13.1%

Top 5 Industries (as % of Current Market Value of Investment Securities) [(c)]	
Services: Business	12.8%
Healthcare & Pharmaceuticals	10.5%
High Tech Industries	10.4%
Telecommunications	6.8%
Retail	6.5%
Total	**47.0%**

Top 10 Issuers (as % of Current Market Value of Investment Securities) [(d)]	
Anchorage Capital CLO, Ltd.	1.9%

Medical Solutions Holdings, Inc.	1.8%
Onex Carestream Finance, L.P.	1.7%
EIG Investors Corp.	1.7%
Intelsat Jackson Holdings S.A.	1.6%
JFIN CLO, Ltd.	1.5%
Evergreen Skills Lux. S.A.R.L.	1.5%
Securus Technologies Holdings, Inc.	1.5%
OCP CLO, Ltd.	1.3%
Moss Creek Resources, LLC	1.3%
Total	**15.8%**

Performance Comparison

	YTD	Since Inception[i]
AIF - Market Price	9.75%[e]	4.45%[e][f]
AIF - NAV	5.90%[e]	7.32%[e][f]
S&P/LSTA Leveraged Loan Index [g]	1.91%	3.84%[f]

(a) Averages based on par value of investment securities, except for the weighted average modified duration, which is based on market value.

(b) Credit quality is calculated as a percentage of fair value of investment securities at June 30, 2017. The quality ratings reflected were issued by S&P, an internationally recognized statistical rating organization. Credit quality ratings reflect the rating agency s opinion of the credit quality of the underlying positions in the Fund s portfolio and not that of the Fund itself. Credit quality ratings are subject to change.

(c) The industry classifications reported are from widely recognized market indexes or rating group indexes, and/or as defined by Fund management, with the primary source being Moody s, an internationally recognized statistical rating organization. The Top 5 Industries table above excludes Structured Products which represent 9.8% of the portfolio as of June 30, 2017.

(d) Holdings are subject to change and are provided for informational purposes only.

(e) Performance reflects total return assuming all distributions were reinvested at the dividend reinvestment rate. Past performance does not necessarily indicate how the Fund will perform in the future. The performance information provided does not reflect the deduction of taxes that a shareholder would pay on distributions received from the Fund.

(f) Annualized.

(g) The S&P/LSTA Leveraged Loan Index is a broad index designed to reflect the performance of the U.S. dollar facilities in the leveraged loan market.

(h) Excludes securities with no rating or in default as of June 30, 2017.

(i) Inception date February 25, 2013.

Apollo Senior Floating Rate Fund Inc.

Schedule of Investments

June 30, 2017 (unaudited)

	Principal Amount ($)	Value ($)
Senior Loans - 133.7%[a]		
AEROSPACE & DEFENSE - 4.0%		
DAE Aviation Holdings, Inc.		
Initial Term Loan, (LIBOR + 3.75%, 1.00% Floor), 4.98%, 07/07/22[b]	3,697,115	3,732,238
ENGILITY Corp.		
Term Loan B-1, (LIBOR + 3.25%, 0.00% Floor), 4.48%, 08/12/20[b]	908,613	916,223
PAE Holding Corp.		
First Lien Initial Term Loan, (LIBOR + 5.50%, 1.00% Floor), 6.73%, 10/20/22[b][c]	1,997,742	2,013,974
Second Lien Initial Term Loan, (LIBOR + 9.50%, 1.00% Floor), 10.73%, 10/20/23[b]	1,404,834	1,415,370
Photonis Technologies SAS (France)		
First Lien Initial Dollar Term Loan, (LIBOR + 7.50%, 1.00% Floor), 8.70%, 09/18/19[b][d]	1,887,413	1,731,701
Sequa Mezzanine Holdings, LLC		
First Lien Initial Term Loan, (LIBOR + 5.50%, 1.00% Floor), 6.67%, 11/28/21[b]	1,403,670	1,414,198
		11,223,704
AUTOMOTIVE - 3.2%		
American Tire Distributors, Inc.		
Initial Term Loan, (LIBOR + 4.25%, 1.00% Floor), 5.48%, 09/01/21[b]	2,854,180	2,872,918

AP Exhaust Acquisition, LLC First Lien Initial Term Loan, (LIBOR + 5.00%, 1.00% Floor), 6.18%, 05/10/24[b][e]	2,056,338	2,025,493
CH Hold Corp. Second Lien Initial Term Loan, (LIBOR + 7.25%, 1.00% Floor), 8.48%, 02/03/25[b][c]	500,000	514,063
Innovative XCessories & Services, LLC Term Loan, (LIBOR + 4.75%, 1.00% Floor), 6.04%, 11/29/22[b]	1,293,579	1,304,898
U.S. Farathane, LLC Term Loan B-3, (LIBOR + 4.00%, 1.00% Floor), 5.30%, 12/23/21[b]	2,232,994	2,260,906
		8,978,278

BANKING, FINANCE, INSURANCE & REAL ESTATE - 9.0%

Amwins Group, LLC Second Lien Term Loan, (LIBOR + 6.75%, 1.00% Floor), 7.98%, 01/25/25[b]	342,857	350,571
AqGen Ascensus, Inc. Replacement Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.30%, 12/05/22[b]	2,719,645	2,753,640

	Principal Amount ($)	Value ($)

BANKING, FINANCE, INSURANCE & REAL ESTATE (continued)

Asurion, LLC Replacement B-5 Term Loan, (LIBOR + 3.00%, 0.00% Floor), 4.23%, 11/03/23[b]	5,105,913	5,141,016
Second Lien Term Loan, (LIBOR + 7.50%, 1.00% Floor), 8.73%, 03/03/21[b]	1,399,109	1,407,853
Capital Automotive L.P. Tranche B Term Loan, (LIBOR + 6.00%, 1.00% Floor), 7.22%, 03/24/25[b]	1,590,909	1,620,739
CRCI Holdings, Inc. Initial Term Loan, (LIBOR + 5.50%, 1.00% Floor), 6.80%, 08/31/23[b]	2,110,164	2,125,991
Donnelley Financial Solutions, Inc. Term Loan B, (LIBOR + 4.00%, 1.00% Floor), 5.08%, 09/29/23[b]	662,857	670,172
iStar, Inc. First Lien Term Loan B, (LIBOR + 3.75%, 1.00% Floor), 4.90%, 07/01/20[b]	1,387,918	1,400,062

Medical Card System, Inc. Term Loan, (LIBOR + 0.50%, 1.00% Floor), 1.50%, 05/31/19[b][e]	5,323,315	4,203,806
MMM Holdings, Inc. Term Loan, (LIBOR + 8.75%, 1.50% Floor), 10.25%, 06/30/19[b][e]	516,620	512,745
MPH Acquisition Holdings, LLC Tranche B Term Loan, (LIBOR + 3.00%, 1.00% Floor), 4.30%, 06/07/23[b]	1,932,314	1,935,029
MSO of Puerto Rico, Inc. Term Loan, (LIBOR + 8.75%, 1.50% Floor), 10.25%, 06/30/19[b][e]	375,580	372,763
National Financial Partners Corp. Term Loan B, (LIBOR + 3.50%, 1.00% Floor), 4.80%, 01/08/24[b][c]	1,304,370	1,309,464
SG Acquisition, Inc. Initial Term Loan, (LIBOR + 5.00%, 1.00% Floor), 6.30%, 03/29/24[b]	1,409,318	1,400,510
		25,204,361

BEVERAGE, FOOD & TOBACCO - 2.8%