

FIRST TRUST SENIOR FLOATING RATE INCOME FUND II
Form N-CSRS
February 01, 2019

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 811-21539

First Trust Senior Floating Rate Income Fund II
(Exact name of registrant as specified in charter)

120 East Liberty Drive
Wheaton, IL 60187
(Address of principal executive offices) (Zip code)

W. Scott Jardine, Esq.
First Trust Portfolios L.P.
120 East Liberty Drive
Wheaton, IL 60187
(Name and address of agent for service)

registrant's telephone number, including area code: N30-765-8000

Date of fiscal year end: May 31

Date of reporting period: November 30, 2018

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR 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 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. § 3507.

Item 1. Reports to Stockholders.

The Report to Shareholders is attached herewith.

First Trust
Senior Floating Rate Income Fund II (FCT)
Semi-Annual Report
For the Six Months Ended
November 30, 2018

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First Trust Senior Floating Rate Income Fund II (FCT)

Semi-Annual Report

November 30, 2018

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Caution Regarding Forward-Looking Statements

This report contains certain forward-looking statements within the meaning of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended. Forward-looking statements include statements regarding the goals, beliefs, plans or current expectations of First Trust Advisors L.P. (“First Trust” or the “Advisor”) and its representatives, taking into account the information currently available to them. Forward-looking statements include all statements that do not relate solely to current or historical fact. For example, forward-looking statements include the use of words such as “anticipate,” “estimate,” “intend,” “expect,” “believe,” “plan,” “may,” “should,” “would” or other words that convey uncertainty of future events or outcomes.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of First Trust Senior Floating Rate Income Fund II (the “Fund”) to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. When evaluating the information included in this report, you are cautioned not to place undue reliance on these forward-looking statements, which reflect the judgment of the Advisor and its representatives only as of the date hereof. We undertake no obligation to publicly revise or update these forward-looking statements to reflect events and circumstances that arise after the date hereof.

Performance and Risk Disclosure

There is no assurance that the Fund will achieve its investment objectives. The Fund is subject to market risk, which is the possibility that the market values of securities owned by the Fund will decline and that the value of the Fund shares may therefore be less than what you paid for them. Accordingly, you can lose money by investing in the Fund. See “Risk Considerations” in the Additional Information section of this report for a discussion of certain other risks of investing in the Fund.

Performance data quoted represents past performance, which is no guarantee of future results, and current performance may be lower or higher than the figures shown. For the most recent month-end performance figures,

please visit www.ftportfolios.com or speak with your financial advisor. Investment returns, net asset value and common share price will fluctuate and Fund shares, when sold, may be worth more or less than their original cost. The Advisor may also periodically provide additional information on Fund performance on the Fund's web page at www.ftportfolios.com.

How to Read This Report

This report contains information that may help you evaluate your investment in the Fund. It includes details about the Fund and presents data and analysis that provide insight into the Fund's performance and investment approach. By reading the portfolio commentary by the portfolio management team of the Fund, you may obtain an understanding of how the market environment affected the Fund's performance. The statistical information that follows may help you understand the Fund's performance compared to that of a relevant market benchmark. It is important to keep in mind that the opinions expressed by personnel of the Advisor are just that: informed opinions. They should not be considered to be promises or advice. The opinions, like the statistics, cover the period through the date on the cover of this report. The material risks of investing in the Fund are spelled out in the prospectus, the statement of additional information, this report and other Fund regulatory filings.

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Shareholder Letter

First Trust Senior Floating Rate Income Fund II (FCT)

Semi-Annual Letter from the Chairman and CEO

November 30, 2018

Dear Shareholders,

First Trust is pleased to provide you with the semi-annual report for the First Trust Senior Floating Rate Income Fund II (the “Fund”), which contains detailed information about your investment for the six months ended November 30, 2018, including a market overview and a performance analysis. We encourage you to read this report carefully and discuss it with your financial advisor.

As I mentioned in my May 2018 letter, 2017 was a very strong year for U.S. and global markets. Investors were rewarded with rising markets and very little volatility. As 2018 began, investors were hoping for another strong year in the markets. For the entire first quarter, however, increased market volatility was the norm for U.S. and global markets. The markets continued their volatility throughout the second quarter. During April and May, the Dow Jones Industrial Average (“DJIA”) closed out each month slightly down, but ended both June and July slightly up. August was a strong month for stocks, and the DJIA finished August just under its previous high in January of 2018. At the close of the third quarter in September, the markets had moved higher into positive territory. In fact, all three major U.S. indices (the Nasdaq Composite Index, the DJIA and the S& P 500® Index) hit record levels during the third quarter. In October, markets were again very volatile, surprising analysts and investors alike. Both global and U.S. markets fell on fears of slowing growth, trade wars and higher interest rates. The DJIA was down 5% for October and the MSCI EAFE Index, an index of stocks in 21 developed markets (excluding the U.S. and Canada), was down 9% for the same period. After another volatile month, the DJIA climbed 617 points (2.5%) on November 28 to post its biggest one-day gain in eight months and ended November slightly up. The MSCI EAFE Index ended November slightly down.

Based on continued strong job growth and the economic outlook in the U.S., the Federal Reserve (the “Fed”) raised interest rates in March, June and September. At their September meeting, the Fed also indicated the possibility of one more rate hike in 2018 as well as three more rate hikes in 2019, however at their November meeting, they announced no additional rate hike. Analysts and investors will be watching to see whether the Fed raises rates again in December. Trade tensions have had an impact on markets around the world and could continue to do so in the future. However, our economists believe that the long-term impact of U.S. tariffs will be to encourage countries to come back to the table and talk about more equal trade. Despite market volatility, we continue to believe that the combination of low interest rates, low inflation and strong corporate earnings still point to a positive economic environment and further growth, though we understand that past performance can never guarantee future performance.

We continue to believe that you should invest for the long term and be prepared for market movements, which can happen at any time. You can do this by keeping current on your portfolio and by speaking regularly with your investment professional. Markets go up and they also go down, but savvy investors are prepared for either through careful attention to investment goals.

Thank you for giving First Trust the opportunity to be a part of your financial plan. We value our relationship with you and will report on the Fund again in six months.

Sincerely,

James A. Bowen

Chairman of the Board of Trustees

Chief Executive Officer of First Trust Advisors L.P.

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First Trust Senior Floating Rate Income Fund II (FCT)

“AT A GLANCE”

As of November 30, 2018 (Unaudited)

Fund Statistics

Symbol on New York Stock Exchange	FCT
Common Share Price	\$11.85
Common Share Net Asset Value (“NAV”)	\$13.73
Premium (Discount) to NAV	(13.69)%
Net Assets Applicable to Common Shares	\$366,529,592
Current Monthly Distribution per Common Share ⁽¹⁾	\$0.0600
Current Annualized Distribution per Common Share	\$0.7200
Current Distribution Rate on Common Share Price ⁽²⁾	6.08%
Current Distribution Rate on NAV ⁽²⁾	5.24%
Common Share Price & NAV (weekly closing price)	

Performance

	Average Annual Total Return				
	6 Months Ended 11/30/18	1 Year Ended 11/30/18	5 Years Ended 11/30/18	10 Years Ended 11/30/18	Inception (5/25/04) to 11/30/18
Fund Performance⁽³⁾					
NAV	0.54%	3.27%	4.52%	10.95%	4.26%
Market Value	-6.14%	-2.87%	1.98%	12.02%	2.88%
Index Performance					
S&P/LSTA Leveraged Loan Index	1.00%	3.47%	3.68%	8.52%	4.71%

(1) Most recent distribution paid or declared through 11/30/2018. Subject to change in the future.

(2) Distribution rates are calculated by annualizing the most recent distribution paid or declared through the report date and then dividing by Common Share Price or NAV, as applicable, as of 11/30/2018. Subject to change in the future. Total return is based on the combination of reinvested dividend, capital gain and return of capital distributions, if any, at prices obtained by the Dividend Reinvestment Plan and changes in NAV per share for NAV returns and changes in Common Share Price for market value returns. From inception to October 12, 2010, Four Corners

(3) Capital Management, LLC served as the Fund’s sub-advisor. Effective October 12, 2010, the Leveraged Finance Team of First Trust Advisors L.P. assumed the day-to-day responsibility for management of the Fund’s portfolio. Total returns do not reflect sales load and are not annualized for periods of less than one year. Past performance is not indicative of future results.

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First Trust Senior Floating Rate Income Fund II (FCT)

“AT A GLANCE” (Continued)

As of November 30, 2018 (Unaudited)

Credit Quality (S&P Ratings) ⁽⁴⁾	% of Senior Loans and Other Debt Securities ⁽⁵⁾
BBB+	0.1%
BBB-	6.7
BB+	5.6
BB	9.3
BB-	16.0
B+	24.7
B	23.5
B-	11.4
CCC+	0.4
CCC	1.7
D	0.4
Not Rated	0.0*
Privately rated ⁽⁶⁾	0.2
Total	100.0%

Top 10 Issuers	% of Senior Loans and other Securities ⁽⁵⁾
Bausch Health Companies, Inc. (Valeant)	4.0%
Portillo’s Holdings, LLC	3.0
Multiplan, Inc. (MPH)	2.9
Stars Group Holdings B.V. (Amaya)	2.6
Reynolds Group Holdings, Inc.	2.5
Dell International, LLC	2.4
AlixPartners, LLP	2.4
Caesars Resort Collection, LLC	2.2
Asurion, LLC (fka Asurion Corporation)	2.1
DJO Finance, LLC (ReAble Therapeutics Finance, LLC)	2.0
Total	26.1%

Industry Classification	% of Senior Loans and Other Securities ⁽⁵⁾
Health Care Providers & Services	14.5%
Hotels, Restaurants & Leisure	13.8
Software	10.6
Pharmaceuticals	8.4
Diversified Financial Services	6.1
Life Sciences Tools & Services	5.4
Media	3.6
Insurance	3.2
Containers & Packaging	2.9
Food & Staples Retailing	2.5
Technology Hardware, Storage & Peripherals	2.4
Health Care Equipment & Supplies	2.1

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Diversified Consumer Services	2.1
Professional Services	2.0
Auto Components	2.0
Commercial Services & Supplies	1.7
Building Products	1.7
Food Products	1.6
Capital Markets	1.5
Diversified Telecommunication Services	1.4
Chemicals	1.4
Electric Utilities	1.1
Industrial Conglomerates	1.1
Health Care Technology	1.0
Aerospace & Defense	0.9
Household Products	0.7
Entertainment	0.7
Household Durables	0.7
Oil, Gas & Consumable Fuels	0.6
Specialty Retail	0.6
Independent Power and Renewable Electricity Producers	0.4
Semiconductors & Semiconductor Equipment	0.3
Construction Materials	0.3
Construction & Engineering	0.3
Machinery	0.3
Trading Companies & Distributors	0.1
Personal Products	0.0*
Energy Equipment & Services	0.0*
Total	100.0%

* Amount is less than 0.1%.

The ratings are by Standard & Poor's except where otherwise indicated. A credit rating is an assessment provided by a nationally recognized statistical rating organization (NRSRO) of the creditworthiness of an issuer with respect to debt obligations except for those debt obligations that are only privately rated. Ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest). Investment grade is defined as those issuers that have a long-term credit rating of BBB- or higher. The credit ratings shown relate to the creditworthiness of the issuers of the underlying securities in the Fund, and not to the Fund or its shares. Credit ratings are subject to change.

(4) Percentages are based on long-term positions. Money market funds are excluded.

(5) Represents Senior Loans privately rated upon issuance. The rating agency does not provide ongoing surveillance on the rating.

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Portfolio Commentary

First Trust Senior Floating Rate Income Fund II (FCT)

Semi-Annual Report

November 30, 2018 (Unaudited)

Advisor

The First Trust Advisors L.P. (“First Trust”) Leveraged Finance Team is comprised of 15 experienced investment professionals specializing in below investment grade securities. The team is comprised of portfolio management, research, trading and operations personnel. As of November 30, 2018, the First Trust Leveraged Finance Team managed or supervised approximately \$4.54 billion in senior secured bank loans and high-yield bonds. These assets are managed across various strategies, including two closed-end funds, an open-end fund, four exchange-traded funds, one UCITS fund and a series of unit investment trusts on behalf of retail and institutional clients.

Portfolio Management Team

William Housey, CFA – Senior Vice President, Senior Portfolio Manager

Scott D. Fries, CFA – Senior Vice President, Portfolio Manager

Commentary

First Trust Senior Floating Rate Income Fund II

The primary investment objective of First Trust Senior Floating Rate Income Fund II (“FCT” or the “Fund”) is to seek a high level of current income. As a secondary objective, the Fund attempts to preserve capital. The Fund pursues its objectives by investing primarily in a portfolio of senior secured floating-rate corporate loans (“Senior Loans”). Under normal market conditions, at least 80% of the Fund’s Managed Assets are generally invested in lower grade debt instruments. “Managed Assets” means the total asset value of the Fund minus the sum of its liabilities, other than the principal amount of borrowings. There can be no assurance that the Fund will achieve its investment objectives. Investing in Senior Loans involves credit risk and, during periods of generally declining credit quality, it may be particularly difficult for the Fund to achieve its secondary investment objective. The Fund may not be appropriate for all investors.

Market Recap

During the six-month period ended November 30, 2018, economic growth, low unemployment, and strong consumer sentiment have led to asset prices increasing. However, the effects of these positive developments were dampened by fears surrounding increasing interest rates. Meanwhile, global economic growth concerns were fueled by fears of a trade war during the period. Over the period, the equity market, measured by the S&P 500[®] Index, was up 3.02%. Interest rates, as measured by the 10-year U.S. Treasury bond finished the period at 2.99% as of November 30, 2018, up from 2.86% at the start of the six-month period. The senior loan market, as measured by the S&P/LSTA Leveraged Loan Index (the “Index”), was up 1.00% in the period, and the high-yield bond market as measured by the ICE BofAML US High Yield Constrained Index, was up 0.19%.

In the senior loan market, spreads over 3-month London Interbank Offered Rate (“LIBOR”) increased 58 basis points (“bps”) during the six-month period to L+437 bps. This is slightly favorable to the pre-credit crisis average spread of L+372 bps (measured from December 1997 to June 2007) but is inside the long-term average spread of L+515 bps (measured from December 1997 to November 2018). Lower quality senior loans outperformed higher quality senior loans during the six-month period, which was a continuation of the trend in the prior year. CCC rated issues returned 1.94%, outperforming the 1.31% return of B rated issues, and outperforming the 0.59% return of BB rated issues in the same period. The average price of senior loans, as measured by the Index, declined in the same period from \$98.35 to \$96.78.

Default Rates

The last 12 months (“LTM”) default rate within the Index entered the period at 2.12% and ended the period at 1.61%. The current LTM default rate remains well below the 2.98% long-term average default rate for the asset class (measured from March 1999 to November 2018). We continue to believe the low default rate is reflective of the relatively sound financial condition of most companies, the lack of near-term debt maturities, and the strong backdrop of a healthy macroeconomic environment.

Performance Analysis

The Fund generated a net asset value (“NAV”) return of 0.54% and a market price return¹ of -6.14%, while the Index returned 1.00% over the period. The Fund’s market price return was negatively impacted by the Fund’s discount to NAV widening over the six-month period. At the start of the period, the Fund’s market price was at a -7.54% discount to NAV and moved to a -13.69% discount to NAV

Total return is based on the combination of reinvested dividend, capital gain and return of capital distributions, if any, at prices obtained by the Dividend Reinvestment Plan and changes in NAV per share for NAV returns and changes in Common Share Price for market value returns. Total returns do not reflect sales load and are not annualized for periods of less than one year. Past performance is not indicative of future results.

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Portfolio Commentary (Continued)

First Trust Senior Floating Rate Income Fund II (FCT)

Semi-Annual Report

November 30, 2018 (Unaudited)

by the end of the period, a widening of 615 bps. This widening was experienced by most closed-end funds in the market and may have been driven by investors selling prior to year-end for tax purposes.

From an income perspective, the monthly distribution rate remained unchanged during the period. The monthly distribution rate stands at \$0.0600 per share. The annualized distribution rate as of November 30, 2018, assuming a \$0.0600 per share monthly distribution rate, was 5.24% at NAV and 6.08% at market price.

The largest contributing factor to the Fund's performance relative to the Index over the period was the Fund's selection within the food service industry. The Fund's holdings in multiple restaurant groups positively impacted returns during the period. Additionally, the Fund's overweight position and asset selection within the pharmaceuticals industry contributed positively to returns as certain drug manufacturers held by the Fund reported strong financial results during the period. Another positive contributor to the Fund's performance was its position within a toy manufacturing company whose debt saw recovery from distressed levels after unexpectedly filing for bankruptcy.

More than offsetting these contributing factors was the Fund's use of leverage as senior loan returns underperformed the cost of borrowing during the period. The Fund's leverage began the period at 29.32% and ended the period at 29.86%. Additionally, the Fund's asset selection within the electronics/electrical industry negatively impacted returns due to the underperformance of an enterprise software company held by the Fund and overweight position within the home furnishings industry which underperformed.

The Fund's LTM default rate by par amount outstanding was 0.19% at month-end. The Fund experienced one default in a senior secured loan during the LTM period. This compares to 15 issuers within the Index that defaulted during the same period. Since the First Trust Leveraged Finance Investment Team began managing the Fund in October 2010, the Fund has experienced 10 defaults, which compares to 91 within the Index during the same period.

Market and Fund Outlook

Near the end of November 2018, the Federal Reserve (the "Fed") used more dovish language in their public statements concerning the potential for more interest rate hikes. We believe this is a signal that the Fed intends to slow the rate of increase to the target federal funds rate and to take a more accommodative stance with respect to monetary policy which would likely result in LIBOR staying relatively flat as we move into 2019, in our opinion.

We remain confident that the favorable backdrop for the macro economy will persist for the near to intermediate term and that we are in a healthy part of the economic cycle to own senior loans and high-yield bonds. Importantly, the default rate for senior loans remains low, at 1.61% and we believe it is likely to remain low given the overall health of the U.S. economy. As we evaluate new investment opportunities, decisions will continue to be rooted in our rigorous bottom-up credit analysis and our focus will remain on identifying the opportunities that we believe offer the best risk and reward balance.

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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments

November 30, 2018 (Unaudited)

Principal Value	Description	Rate (a)	Stated Maturity (b)	Value
SENIOR FLOATING-RATE LOAN INTERESTS (c) – 136.5%				
	Aerospace & Defense – 1.3%			
\$631,487	Science Applications International Corp., Term Loan B, 1 Mo. LIBOR + 1.75%, 0.00% Floor	4.09%	10/31/25	\$626,752
2,807,715	Transdigm, Inc., Term Loan F, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.84%	06/09/23	2,734,012
1,533,096	Transdigm, Inc., Tranche E Term Loan, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.84%	05/30/25	1,492,285
				4,853,049
	Alternative Carriers – 0.7%			
2,678,397	Level 3 Financing, Inc., Tranche B 2024 Term Loan, 1 Mo. LIBOR + 2.25%, 0.00% Floor	4.56%	02/22/24	2,643,257
	Application Software – 8.2%			
1,625,143	CCC Information Services, Inc., Term Loan B, 1 Mo. LIBOR + 3.00%, 1.00% Floor	5.35%	04/26/24	1,603,203
952,715	Hyland Software, Inc., Term Loan B, 1 Mo. LIBOR + 3.25%, 0.75% Floor	5.59%	07/01/24	944,779
4,740,660	Infor (US), Inc. (fka Lawson Software, Inc.), Term Loan B-6, 3 Mo. LIBOR + 2.75%, 1.00% Floor	5.14%	02/02/22	4,670,404
2,798,615	Informatica Corporation, Term Loan B, 1 Mo. LIBOR + 3.25%, 0.00% Floor	5.59%	08/06/22	2,782,299
6,653	Kronos, Inc., Term Loan B, 2 Mo. LIBOR + 3.00%, 0.00% Floor	5.39%	11/01/23	6,547
2,641,212	Kronos, Inc., Term Loan B, 3 Mo. LIBOR + 3.00%, 0.00% Floor	5.54%	11/01/23	2,599,243
554,117	Micro Focus International (MA Financeco, LLC), Miami Escrow TL B3, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.84%	06/21/24	541,649
3,742,087	Micro Focus International (MA Financeco, LLC), Seattle Spinco TLB, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.84%	06/21/24	3,657,890
6,992,532	Mitchell International, Inc., 1st Lien Term Loan, 1 Mo. LIBOR + 3.25%, 0.00% Floor	5.59%	11/30/24	6,880,652
1,287,481		5.94%	04/26/24	1,268,980

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Qlik Technologies (Project Alpha Intermediate Holding, Inc.), Term Loan B, 3 Mo. LIBOR + 3.50%, 1.00% Floor

5,333,203	RP Crown Parent (JDA Software Group), Term Loan B, 1 Mo. LIBOR + 2.75%, 1.00% Floor	5.09%	10/12/23	5,229,899
				30,185,545
800,000	Asset Management & Custody Banks – 2.1% First Eagle Investment Management, Term Loan B, 2 Mo. LIBOR + 2.75%, 0.00% Floor	5.14%	12/01/24	794,336
919,294	Harbourvest Partners L.P., Term Loan B, 1 Mo. LIBOR + 2.25%, 0.00% Floor	4.56%	03/01/25	911,250
210,396	Mondrian Investment Partners Limited, Term Loan B, 3 Mo. LIBOR + 3.00%, 1.00% Floor	5.39%	03/09/20	210,133
1,614,103	Victory Capital Holdings, Term Loan B, 3 Mo. LIBOR + 2.75%, 0.00% Floor	5.14%	02/15/25	1,611,085
3,994,634	Virtus Investment Partners, Term Loan B, 3 Mo. LIBOR + 2.50%, 0.75% Floor	4.91%	06/01/24	3,989,640
				7,516,444
5,429,262	Auto Parts & Equipment – 2.5% Gates Global, LLC, Initial B-2 Dollar Term Loans, 1 Mo. LIBOR + 2.75%, 1.00% Floor	5.09%	03/31/24	5,332,893
950,395	Lumileds (Bright Bidco B.V.), Term Loan B, 1 Mo. LIBOR + 3.50%, 1.00% Floor	5.84%	06/30/24	907,627
1,990,862	Lumileds (Bright Bidco B.V.), Term Loan B, 3 Mo. LIBOR + 3.50%, 1.00% Floor	5.89%	06/30/24	1,901,274

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See Notes to Financial Statements

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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments (Continued)

November 30, 2018 (Unaudited)

Principal Value	Description	Rate (a)	Stated Maturity (b)	Value
SENIOR FLOATING-RATE LOAN INTERESTS (c) (Continued)				
Auto Parts & Equipment (Continued)				
\$1,057,707	Tower Automotive Holdings USA, LLC, Term Loan B, 1 Mo. LIBOR + 2.75%, 0.00% Floor	5.13%	03/07/24	\$1,045,807
				9,187,601
991,378	Automotive Retail – 0.3% KAR Auction Services, Inc. (Adesa), Term Loan B5, 3 Mo. LIBOR + 2.50%, 0.00% Floor	4.94%	03/09/23	981,772
2,671,036	Broadcasting – 3.8% Cumulus Media Holdings, Inc., Exit Term Loan, 1 Mo. LIBOR + 4.50%, 1.00% Floor (d)	6.85%	05/15/22	2,577,550
2,489,627	Gray Television, Inc., Term C Loan, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.85%	11/01/25	2,465,776
34,603	Nexstar Broadcasting, Inc., Mission Term Loan, 1 Mo. LIBOR + 2.25%, 0.00% Floor	4.57%	01/17/24	34,179
205,711	Nexstar Broadcasting, Inc., Nexstar Term Loan, 1 Mo. LIBOR + 2.25%, 0.00% Floor	4.57%	01/17/24	203,191
8,495,601	Tribune Media Company (fka Tribune Company), Extended Term Loan C, 1 Mo. LIBOR + 3.00%, 0.75% Floor	5.34%	01/27/24	8,456,691
45,522	Tribune Media Company (fka Tribune Company), Term B Loan, 1 Mo. LIBOR + 3.00%, 0.75% Floor	5.34%	12/27/20	45,438
				13,782,825
188,861	Building Products – 2.4% Beacon Roofing Supply, Inc., Term Loan B, 1 Mo. LIBOR + 2.25%, 0.00% Floor	4.57%	01/02/25	183,431
62,263	JELD-WEN, Inc., Term Loan B, 3 Mo. LIBOR + 2.00%, 0.00% Floor	4.39%	12/07/24	61,641
8,475,412	Quikrete Holdings, Inc., Term Loan B, 1 Mo. LIBOR + 2.75%, 0.00% Floor	5.09%	11/15/23	8,292,259
247,418	Resideo Technologies, Inc., Term Loan B, 3 Mo. LIBOR + 2.00%, 0.00% Floor	4.49%	10/24/25	245,871

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					8,783,202
	Cable & Satellite – 0.8%				
980,786	Cablevision (fka CSC Holdings, Inc.), January 2018 Term Loans B-2, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.81%	01/25/26	965,201	
323,203	Cablevision (fka CSC Holdings, Inc.), March 2017 Term Loan B-1, 1 Mo. LIBOR + 2.25%, 0.00% Floor	4.56%	07/17/25	317,709	
407,359	Mediacom Broadband, Term Loan N, 1 Week LIBOR + 1.75%, 0.00% Floor	3.98%	02/15/24	400,230	
1,329,500	Virgin Media Investment Holdings Limited, Term Loan K, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.81%	01/15/26	1,311,632	
					2,994,772
	Casinos & Gaming – 13.5%				
11,831,490	Caesars Resort Collection, LLC, Term Loan B, 1 Mo. LIBOR + 2.75%, 0.00% Floor	5.09%	12/22/24	11,611,779	
5,569,340	CityCenter Holdings, LLC, Term Loan B, 1 Mo. LIBOR + 2.25%, 0.75% Floor	4.59%	04/18/24	5,464,915	
143,386	Golden Nugget, Inc., Term Loan B, 1 Mo. LIBOR + 2.75%, 0.75% Floor	5.09%	10/04/23	140,984	
3,872,195	Golden Nugget, Inc., Term Loan B, 3 Mo. LIBOR + 2.75%, 0.75% Floor	5.19%-5.28%	10/04/23	3,807,336	
3,255,311	Las Vegas Sands, LLC, Term Loan B, 1 Mo. LIBOR + 1.75%, 0.00% Floor	4.09%	03/27/25	3,202,087	

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Portfolio of Investments (Continued)

November 30, 2018 (Unaudited)

Principal Value	Description	Rate (a)	Stated Maturity (b)	Value
SENIOR FLOATING-RATE LOAN INTERESTS (c) (Continued)				
Casinos & Gaming (Continued)				
\$1,467,748	MGM Growth Properties Operating Partnership L.P., Term Loan B, 1 Mo. LIBOR + 2.00%, 0.00% Floor	4.34%	03/23/25	\$1,439,861
1,266,951	Penn National Gaming, Inc., Term Loan B, 2 Mo. LIBOR + 2.25%, 0.00% Floor	4.58%	10/01/25	1,254,813
13,421,653	Stars Group Holdings B.V. (Amaya), Term Loan B, 3 Mo. LIBOR + 3.50%, 0.00% Floor	5.89%	07/28/25	13,359,376
5,411,459	Station Casinos, Inc. (Red Rocks), Term Loan B, 1 Mo. LIBOR + 2.50%, 0.75% Floor	4.85%	06/08/23	5,322,657
3,848,666	VICI Properties (Caesars), Term Loan B, 1 Mo. LIBOR + 2.00%, 0.00% Floor	4.31%	12/20/24	3,781,931
				49,385,739
Coal & Consumable Fuels – 0.4%				
1,031,219	Arch Coal, Inc., Term Loan B, 1 Mo. LIBOR + 2.75%, 1.00% Floor	5.09%	03/07/24	1,022,196
308,307	Peabody Energy, Term Loan B, 1 Mo. LIBOR + 2.75%, 0.00% Floor	5.09%	03/31/25	306,183
				1,328,379
Commercial Printing – 0.4%				
1,355,230	Multi-Color Corp., Term Loan B, 1 Mo. LIBOR + 2.00%, 0.00% Floor	4.34%	10/31/24	1,334,901
Construction & Engineering – 0.4%				
175,813	Pike Electric, Inc., Term Loan B, 1 Mo. LIBOR + 3.50%, 1.00% Floor	5.85%	03/23/25	175,285
1,291,435	Westinghouse Electric (Brookfield WEC Holdings, Inc.), Term Loan B, 1 Mo. LIBOR + 3.75%, 0.75% Floor	6.09%	07/31/25	1,286,993
				1,462,278
Construction Materials – 0.4%				
1,639,344	Summit Materials, LLC, Term Loan B, 1 Mo. LIBOR + 2.00%, 0.00% Floor	4.34%	11/10/24	1,606,557

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365,658	Diversified Chemicals – 0.1% Ineos US Finance, LLC, 2024 Dollar Term Loan, 1 Mo. LIBOR + 2.00%, 0.00% Floor	4.34%	03/31/24	358,231
3,033,497	Diversified Support Services – 0.8% Brightview Landscapes, LLC (FKA - Brickman), Term Loan B, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.81%-4.84%	08/15/25	3,014,538
368,438	Electric Utilities – 0.9% Dayton Power & Light, Term Loan B, 1 Mo. LIBOR + 2.00%, 0.75% Floor	4.35%	08/24/22	366,828
1,935,227	Vistra Operations Company, LLC (TEX/TXU), 2016 Incremental Term Loan B2, 1 Mo. LIBOR + 2.25%, 0.00% Floor	4.59%	12/14/23	1,912,256
997,500	Vistra Operations Company, LLC (TEX/TXU), 2018 Incremental Term Loan B3, 1 Mo. LIBOR + 2.00%, 0.00% Floor	4.30%-4.34%	12/31/25	981,919
				3,261,003
2,947,422	Environmental & Facilities Services – 0.9% Packers Holdings, LLC, Term Loan B, 1 Mo. LIBOR + 3.00%, 1.00% Floor	5.32%	12/04/24	2,895,842
512,991	Servicemaster Company (The), LLC, Tranche C Term Loan, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.84%	11/08/23	511,493
				3,407,335

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November 30, 2018 (Unaudited)

Principal Value	Description	Rate (a)	Stated Maturity (b)	Value
SENIOR FLOATING-RATE LOAN INTERESTS (c) (Continued)				
	Food Retail – 1.5%			
\$2,834,601	Albertson’s, LLC, Term Loan B5, 3 Mo. LIBOR + 3.00%, 0.75% Floor	5.38%	12/21/22	\$2,787,207
2,842,856	Albertson’s, LLC, Term Loan B6, 3 Mo. LIBOR + 3.00%, 0.75% Floor	5.69%	06/22/23	2,786,880
				5,574,087
	Health Care Equipment – 2.9%			
197,500	Acelity L.P., Inc. (Kinetic Concepts), Term Loan B, 3 Mo. LIBOR + 3.25%, 1.00% Floor	5.64%	01/31/24	196,513
5,210,491	DJO Finance, LLC (ReAble Therapeutics Finance, LLC), Initial Term Loan, 1 Mo. LIBOR + 3.25%, 1.00% Floor	5.59%	06/08/20	5,199,653
5,224,689	DJO Finance, LLC (ReAble Therapeutics Finance, LLC), Initial Term Loan, 3 Mo. LIBOR + 3.25%, 1.00% Floor	5.65%	06/08/20	5,213,821
				10,609,987
	Health Care Facilities – 1.3%			
1,036,830	Acadia Healthcare Company, Inc., Term Loan B3, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.84%	02/11/22	1,025,165
1,186,642	Acadia Healthcare Company, Inc., Term Loan B4, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.84%	02/16/23	1,173,292
1,699,735	Concentra, Inc. (fka MJ Acquisitions), Term Loan B, 1 Mo. LIBOR + 2.75%, 0.00% Floor	5.07%	06/01/22	1,679,559
957,435	Gentiva Health Services, Inc. (Kindred at Home), Term Loan B, 1 Mo. LIBOR + 3.75%, 0.00% Floor	6.13%	06/30/25	955,042
				4,833,058
	Health Care Services – 10.9%			
4,136,711	21st Century Oncology Holdings, Inc. (21st Century Oncology, Inc.), Tranche B Term Loan, 3 Mo. LIBOR + 6.13%, 1.00% Floor	8.57%	01/16/23	3,800,603
934,198	Air Medical Group Holdings, Inc. (Global Medical Response), 2018 New Term Loan, 1 Mo. LIBOR + 4.25%, 1.00% Floor	6.56%	03/14/25	905,593
612,981	Air Medical Group Holdings, Inc. (Global Medical Response), Term Loan B, 1 Mo. LIBOR + 3.25%, 1.00% Floor	5.57%	04/28/22	584,784

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2,839,084	Air Methods Corp. (a/k/a ASP AMC Intermediate Holdings, Inc.), Term Loan B, 3 Mo. LIBOR + 3.50%, 1.00% Floor	5.89%	04/21/24	2,412,625
4,563,609	CDRH Parent, Inc. (Healogics, Inc.), Initial Term Loan (First Lien), 3 Mo. LIBOR + 4.25%, 1.00% Floor	6.58%	07/01/21	4,152,884
1,254,848	CHG Healthcare Services, Inc., Term Loan, 1 Mo. LIBOR + 3.00%, 1.00% Floor	5.34%	06/07/23	1,250,142
2,235,579	CHG Healthcare Services, Inc., Term Loan, 3 Mo. LIBOR + 3.00%, 1.00% Floor	5.53%	06/07/23	2,227,195
3,638,642	Dupage Medical Group (Midwest Physician), Term Loan B, 1 Mo. LIBOR + 2.75%, 0.75% Floor	5.09%	08/15/24	3,556,773
4,189,768	Envision Healthcare Corporation, Term Loan B, 1 Mo. LIBOR + 3.75%, 0.00% Floor	6.09%	10/10/25	4,021,424
810,723	Exam Works (Gold Merger Co, Inc.), Term Loan B, 1 Mo. LIBOR + 3.25%, 1.00% Floor	5.59%	07/27/23	808,696
5,236,532	Surgery Centers Holdings, Inc., Term Loan B, 1 Mo. LIBOR + 3.25%, 1.00% Floor	5.60%	08/31/24	5,143,583
5,377,052	Team Health, Inc., Term Loan B, 1 Mo. LIBOR + 2.75%, 1.00% Floor	5.09%	02/06/24	5,007,380
5,257,533	U.S. Renal Care, Inc., Term Loan B, 3 Mo. LIBOR + 4.25%, 1.00% Floor	6.64%	12/30/22	5,174,727

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November 30, 2018 (Unaudited)

Principal Value	Description	Rate (a)	Stated Maturity (b)	Value
SENIOR FLOATING-RATE LOAN INTERESTS (c) (Continued)				
Health Care Services (Continued)				
\$845,792	Verscend Technologies, Inc., Term Loan B, 1 Mo. LIBOR + 4.50%, 0.00% Floor	6.84%	08/27/25	\$844,380
				39,890,789
408,670	Health Care Supplies – 0.1% ConvaTec, Inc., Term Loan B, 3 Mo. LIBOR + 2.25%, 0.75% Floor	4.64%	10/31/23	403,562
5,418,260	Health Care Technology – 1.5% Change Healthcare Holdings, Term Loan B, 1 Mo. LIBOR + 2.75%, 1.00% Floor	5.09%	03/01/24	5,348,581
442,125	Hotels, Resorts & Cruise Lines – 0.1% Four Seasons, Term Loan B, 1 Mo. LIBOR + 2.00%, 0.00% Floor	4.34%	11/30/23	436,678
3,524,891	Household Appliances – 0.9% Traeger Grills (TGP Holdings III, LLC), Term Loan B, 3 Mo. LIBOR + 4.25%, 1.00% Floor	6.64%	09/25/24	3,445,581
654,883	Household Products – 1.0% Energizer Spinco, Inc., Term Loan B, 1 Mo. LIBOR + 2.25%, 0.00% Floor	4.60%	06/30/25	638,511
1,004,025	Spectrum Brands, Inc., Term Loan B, 1 Mo. LIBOR + 2.00%, 0.00% Floor	4.35%	06/23/22	991,474
1,334,529	Spectrum Brands, Inc., Term Loan B, 2 Mo. LIBOR + 2.00%, 0.00% Floor	4.33%-4.40%	06/23/22	1,317,848
753,019	Spectrum Brands, Inc., Term Loan B, 3 Mo. LIBOR + 2.00%, 0.00% Floor	4.59%	06/23/22	743,606
				3,691,439
4,094,358	Human Resource & Employment Services – 1.1% Tempo Acquisition, Term Loan B, 1 Mo. LIBOR + 3.00%, 0.00% Floor	5.34%	05/01/24	4,056,485
7,686,131	Hypermarkets & Super Centers – 2.1% BJ's Wholesale Club, Inc., Term Loan B, 1 Mo. LIBOR + 3.00%, 0.00% Floor	5.32%	02/03/24	7,634,865

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	Independent Power Producers & Energy Traders – 0.5%				
1,935,000	Calpine Corporation, New Term Loan B5, 3 Mo. LIBOR + 2.50%, 0.00% Floor	4.89%	01/15/24	1,896,571	
	Industrial Conglomerates – 1.5%				
103,999	Accudyne Industries, LLC, Term Loan B, 1 Mo. LIBOR + 3.00%, 1.00% Floor	5.34%	08/18/24	102,353	
4,677,967	Gardner Denver, Inc., Term Loan B, 1 Mo. LIBOR + 2.75%, 0.00% Floor	5.09%	07/30/24	4,647,747	
807,880	Messer Industries USA, Inc., Initial Term B-1, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.85%	09/30/25	795,261	
				5,545,361	
	Industrial Machinery – 0.3%				
1,043,685	Douglas Dynamics, LLC, Term Loan B, 1 Mo. LIBOR + 3.00%, 1.00% Floor	5.35%	12/31/21	1,039,771	
	Insurance Brokers – 4.5%				
6,537,219	Amwins Group, Inc., Term Loan B (First Lien), 1 Mo. LIBOR + 2.75%, 1.00% Floor	5.07%-5.09%	01/25/24	6,471,847	

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Portfolio of Investments (Continued)

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Principal Value	Description	Rate (a)	Stated Maturity (b)	Value
SENIOR FLOATING-RATE LOAN INTERESTS (c) (Continued)				
Insurance Brokers (Continued)				
\$6,177	HUB International Limited, Term Loan B, 2 Mo. LIBOR + 3.00%, 0.00% Floor	5.36%	04/25/25	\$6,061
2,458,332	HUB International Limited, Term Loan B, 3 Mo. LIBOR + 3.00%, 0.00% Floor	5.49%	04/25/25	2,412,238
2,123,253	National Financial Partners Corp. (NFP), Term Loan B, 1 Mo. LIBOR + 3.00%, 0.00% Floor	5.34%	01/06/24	2,075,480
5,770,535	USI, Inc. (fka Compass Investors Inc.), Term Loan B, 3 Mo. LIBOR + 3.00%, 0.00% Floor	5.39%	05/15/24	5,619,059
				16,584,685
4,827,756	Integrated Telecommunication Services – 1.3% Century Link (Qwest), Term Loan B, 1 Mo. LIBOR + 2.75%, 0.00% Floor	5.09%	01/31/25	4,685,965
5,669,962	Leisure Facilities – 1.5% ClubCorp Club Operations, Inc., Term Loan B, 3 Mo. LIBOR + 2.75%, 0.00% Floor	5.14%	09/18/24	5,468,678
2,134,184	Life Sciences Tools & Services – 7.6% Immucor, Inc., Term Loan B-3, 3 Mo. LIBOR + 5.00%, 1.00% Floor	7.39%	06/15/21	2,139,520
6,526,055	Ortho-Clinical Diagnostics Holdings Luxembourg, Term Loan B, 1 Mo. LIBOR + 3.25%, 0.00% Floor	5.58%	05/31/25	6,356,769
9,750,650	Parexel International Corp., Term Loan B, 1 Mo. LIBOR + 2.75%, 0.00% Floor	5.09%	09/27/24	9,458,130
3,606,347	Pharmaceutical Product Development, Inc. (PPDI), Term Loan B, 1 Mo. LIBOR + 2.50%, 1.00% Floor	4.84%	08/18/22	3,545,256
1,861,335	Quintiles IMS, Inc. (IQVIA), Term Loan B3, 3 Mo. LIBOR + 1.75%, 0.00% Floor	4.14%	06/15/25	1,839,241
4,584,874	Sotera Health Holdings, LLC (Sterigenics), Term Loan B, 1 Mo. LIBOR + 3.00%, 1.00% Floor	5.34%	05/15/22	4,534,440

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					27,873,356
	Managed Health Care – 5.4%				
15,428,493	Multiplan, Inc. (MPH), Term Loan B, 3 Mo. LIBOR + 2.75%, 1.00% Floor	5.14%	06/07/23	15,123,163	
4,730,669	Versant Health (Wink Holdco, Inc.), Initial Term Loan, 1 Mo. LIBOR + 3.00%, 1.00% Floor	5.34%	12/02/24	4,646,416	
					19,769,579
	Metal & Glass Containers – 0.6%				
1,701,867	Berlin Packaging, LLC, Term Loan B, 1 Mo. LIBOR + 3.00%, 0.00% Floor	5.30%-5.35%	11/07/25	1,668,680	
193,412	Berlin Packaging, LLC, Term Loan B, 3 Mo. LIBOR + 3.00%, 0.00% Floor	5.39%	11/07/25	189,640	
179,107	Crown Americas, LLC, Term Loan B, 1 Mo. LIBOR + 2.00%, 0.00% Floor	4.32%	04/03/25	178,631	
					2,036,951
	Movies & Entertainment – 1.0%				
379,900	AMC Entertainment, Inc., 2016 Incremental Term Loan, 1 Mo. LIBOR + 2.25%, 0.00% Floor	4.56%	12/15/23	373,966	
274,833	AMC Entertainment, Inc., Initial Term Loan, 1 Mo. LIBOR + 2.25%, 0.00% Floor	4.56%	12/15/22	271,054	
1,925,325	Cineworld Group PLC (Crown), Term Loan B, 1 Mo. LIBOR + 2.50%, 0.00% Floor	4.84%	02/05/25	1,887,897	

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November 30, 2018 (Unaudited)

Principal Value	Description	Rate (a)	Stated Maturity (b)	Value
SENIOR FLOATING-RATE LOAN INTERESTS (c) (Continued)				
Movies & Entertainment (Continued)				
\$982,575	Creative Artists Agency, Term Loan B, 1 Mo. LIBOR + 3.00%, 0.00% Floor	5.30%	02/15/24	\$974,390
				3,507,307
231,636	Oil & Gas Equipment & Services – 0.1% NorthRiver Midstream Finance L.P. (Grizzly/Enbridge), Term Loan B, 3 Mo. LIBOR + 3.25%, 0.00% Floor	5.65%	09/30/25	228,624
166,667	Oil & Gas Exploration & Production – 0.0% Ascent Resources - Marcellus, LLC, EXIT Term Loan B, 1 Mo. LIBOR + 6.50%, 1.00% Floor	8.82%	03/30/23	166,667
1,292,065	Oil & Gas Storage & Transportation – 0.4% Lotus Midstream (Centurion Pipeline Company, LLC), Term Loan B, 3 Mo. LIBOR + 3.25%, 0.00% Floor	5.64%	09/30/25	1,294,494
12,361,372	Other Diversified Financial Services – 7.8% AlixPartners, LLP, Term Loan B, 1 Mo. LIBOR + 2.75%, 0.00% Floor	5.09%	04/04/24	12,222,307
8,605,006	Duff & Phelps Corporation (Deerfield Dakota), Initial Term Loan, 1 Mo. LIBOR + 3.25%, 1.00% Floor	5.59%	02/13/25	8,484,535
1,585,579	Financial & Risk US Holdings, Inc. (Refinitiv), Initial Dollar Term Loan, 1 Mo. LIBOR + 3.75%, 0.00% Floor	6.09%	10/01/25	1,542,832
3,242,527	First Data Corporation, 2024A New Dollar Term Loan, 1 Mo. LIBOR + 2.00%, 0.00% Floor	4.32%	04/26/24	3,179,719
3,128,000	Wex, Inc., Term Loan B, 1 Mo. LIBOR + 2.25%, 0.00% Floor	4.59%	07/01/23	3,099,504
				28,528,897
2,680,776	Packaged Foods & Meats – 2.3% Hostess Brands, LLC (HB Holdings), Term Loan B, 1 Mo. LIBOR + 2.25%, 0.75% Floor	4.59%	08/03/22	2,609,575
16,650	Hostess Brands, LLC (HB Holdings), Term Loan B, 2 Mo. LIBOR + 2.25%, 0.75% Floor	4.64%	08/03/22	16,208
3,912,760	Hostess Brands, LLC (HB Holdings), Term Loan B, 3 Mo. LIBOR + 2.25%, 0.75% Floor	4.78%	08/03/22	3,808,836

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2,055,555	Post Holdings, Inc., Term Loan B, 1 Mo. LIBOR + 2.00%, 0.00% Floor	4.32%	05/24/24	2,042,194
				8,476,813
	Paper Packaging – 3.5%			
13,130,368	Reynolds Group Holdings, Inc., U.S. Term Loan, 1 Mo. LIBOR + 2.75%, 0.00% Floor	5.09%	02/05/23	12,956,390
	Personal Products – 0.1%			
277,959	Rodan & Fields, LLC, Term Loan B, 1 Mo. LIBOR + 4.00%, 0.00% Floor	6.31%	06/15/25	254,333
	Pharmaceuticals – 11.4%			
1,682,692	Akorn, Inc., Loan, 1 Mo. LIBOR + 5.50%, 1.00% Floor	7.88%	04/16/21	1,407,572
19,159,651	Bausch Health Companies, Inc. (Valeant), Term Loan B, 1 Mo. LIBOR + 3.00%, 0.00% Floor	5.31%	06/01/25	18,946,787
1,234,794	Catalent Pharma Solutions, Inc., Term Loan B, 1 Mo. LIBOR + 2.25%, 1.00% Floor	4.59%	05/20/24	1,225,088
3,283,000	Concordia Healthcare, Dollar Term Loan, 1 Mo. LIBOR + 5.50%, 1.00% Floor	7.82%	09/06/24	3,167,570
7,252,739	Endo, LLC, Term Loan B, 1 Mo. LIBOR + 4.25%, 0.75% Floor	6.63%	04/29/24	7,210,456
1,603,387	GoodRX, Inc., Term Loan B, 1 Mo. LIBOR + 3.00%, 0.00% Floor	5.32%	10/15/25	1,592,692

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Principal Value	Description	Rate (a)	Stated Maturity (b)	Value
SENIOR FLOATING-RATE LOAN INTERESTS (c) (Continued)				
Pharmaceuticals (Continued)				
\$1,488,665	Grifols Worldwide Operations Limited, Tranche B Term Loan, 1 Mo. LIBOR + 2.25%, 0.00% Floor	4.47%	01/31/25	\$1,475,639
5,094,142	Horizon Pharma, Inc., Term Loan B, 1 Mo. LIBOR + 3.00%, 1.00% Floor	5.38%	03/29/24	5,038,972
965,970	Mallinckrodt International Finance S.A., 2017 Term Loan B, 3 Mo. LIBOR + 2.75%, 0.75% Floor	5.14%	09/24/24	922,202
966,019	Mallinckrodt International Finance S.A., 2018 Incremental Term Loan, 3 Mo. LIBOR + 3.00%, 0.75% Floor	5.62%	02/24/25	928,586
				41,915,564
5,753,686	Research & Consulting Services – 1.8% Advantage Sales & Marketing, Inc., Initial Term Loan (First Lien), 1 Mo. LIBOR + 3.25%, 1.00% Floor	5.59%	07/23/21	5,190,918
797,940	Advantage Sales & Marketing, Inc., Term Loan B2, 1 Mo. LIBOR + 3.25%, 1.00% Floor	5.59%	07/25/21	718,648
558,400	TransUnion, LLC, Term Loan B4, 1 Mo. LIBOR + 2.00%, 0.00% Floor	4.34%	06/30/25	553,018
				6,462,584
630,405	Restaurants – 4.4% IRB Holding Corp. (Arby's/Inspire Brands), Term Loan B, 1 Mo. LIBOR + 3.25%, 1.00% Floor	5.57%	01/18/25	623,181
8,341,454	Portillo's Holdings, LLC, Second Lien Term Loan, 3 Mo. LIBOR + 8.00%, 1.00% Floor	10.39%	08/15/22	8,258,039
7,425,139	Portillo's Holdings, LLC, Term B Loan (First Lien), 3 Mo. LIBOR + 4.50%, 1.00% Floor	6.89%	08/02/21	7,415,857
				16,297,077
1,185,013	Security & Alarm Services – 0.3% Garda World Security Corporation, Term Loan B, 3 Mo. LIBOR + 3.50%, 1.00% Floor	5.82%	05/26/24	1,172,179
1,095,495	Semiconductors – 0.5%	4.35%	05/29/25	1,082,830

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	Microchip Technology, Initial Term Loan, 1 Mo. LIBOR + 2.00%, 0.00% Floor				
666,192	Western Digital Corporation, Term Loan B, 1 Mo. LIBOR + 1.75%, 0.00% Floor	4.06%	04/29/23	646,207	
					1,729,037
724,000	Specialized Consumer Services – 2.9% Asurion, LLC (fka Asurion Corporation), Second Lien Replacement B-2 Term Loan, 1 Mo. LIBOR + 6.50%, 0.00% Floor	8.84%	07/31/25	737,271	
1,370,522	Asurion, LLC (fka Asurion Corporation), Term Loan B4, 1 Mo. LIBOR + 3.00%, 0.00% Floor	5.34%	08/04/22	1,356,817	
3,660,526	Asurion, LLC (fka Asurion Corporation), Term Loan B6, 1 Mo. LIBOR + 3.00%, 0.00% Floor	5.34%	11/03/23	3,620,113	
5,000,000	Asurion, LLC (fka Asurion Corporation), Term Loan B7, 1 Mo. LIBOR + 3.00%, 0.00% Floor	5.34%	11/03/24	4,943,750	
					10,657,951
3,080,604	Specialized Finance – 0.8% Alliant Holdings I, LLC, Initial Term Loan, 1 Mo. LIBOR + 2.75%, 0.00% Floor	5.06%	05/09/25	3,021,981	
1,135,333	Specialty Chemicals – 1.8% Akzonobel Specialty Chemicals (Starfruit), Term Loan B, 1 Mo. LIBOR + 3.25%, 0.00% Floor	5.55%	10/01/25	1,118,303	

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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments (Continued)

November 30, 2018 (Unaudited)

Principal Value	Description	Rate (a)	Stated Maturity (b)	Value
SENIOR FLOATING-RATE LOAN INTERESTS (c) (Continued)				
Specialty Chemicals (Continued)				
\$4,625,418	H.B. Fuller Company, Term Loan B, 1 Mo. LIBOR + 2.00%, 0.00% Floor	4.30%	10/20/24	\$4,552,197
1,082,905	MacDermid, Incorporated (Platform Specialty Products Corporation), Term Loan B6, 1 Mo. LIBOR + 3.00%, 1.00% Floor	5.34%	06/07/23	1,082,321
				6,752,821
2,371,479	Specialty Stores – 0.6% Toys “R” Us-Delaware, Inc., Term B-2 Loan, Prime Rate + 2.75%, 1.50% Floor (e) (f)	8.00%	05/25/18	1,154,128
1,926,651	Toys “R” Us-Delaware, Inc., Term B4 Loan, Prime Rate + 7.75%, 1.00% Floor (e) (f)	13.00%	04/25/20	963,325
				2,117,453
892,867	Systems Software – 6.8% Applied Systems, Inc., 1st Lien Term Loan, 3 Mo. LIBOR + 3.00%, 1.00% Floor	5.39%	09/13/24	881,707
511,161	Applied Systems, Inc., 2nd Lien Term Loan, 3 Mo. LIBOR + 7.00%, 1.00% Floor	9.39%	09/13/25	512,438
1,192,090	Avast Software B.V. (Sybil), Term Loan B, 3 Mo. LIBOR + 2.50%, 1.00% Floor	4.89%	09/30/23	1,180,539
3,853,346	BMC Software Finance, Inc. (Boxer Parent), Term Loan B, 3 Mo. LIBOR + 4.25%, 0.00% Floor	6.65%	10/02/25	3,800,362
3,126,727	Dynatrace, LLC, Term Loan B, 1 Mo. LIBOR + 3.25%, 0.00% Floor	5.59%	08/22/25	3,115,001
3,636,947	Misys Financial Software Ltd. (Almonde, Inc.) (Finastra), Term Loan B, 3 Mo. LIBOR + 3.50%, 1.00% Floor	5.89%	06/13/24	3,512,891
3,283,520	Riverbed Technology, Inc., Term Loan B, 1 Mo. LIBOR + 3.25%, 1.00% Floor	5.60%	04/24/22	3,151,260
2,908,001	SS&C European Holdings, S.a.r.l, Term Loan B-3, 1 Mo. LIBOR + 2.25%, 0.00% Floor	4.59%	04/16/25	2,835,824
1,107,591		4.59%	04/16/25	1,080,101

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	SS&C European Holdings, S.a.r.l, Term Loan B-4, 1 Mo. LIBOR + 2.25%, 0.00% Floor			
1,762,032	SS&C European Holdings, S.a.r.l, Term Loan B-5, 1 Mo. LIBOR + 2.25%, 0.00% Floor	4.59%	04/16/25	1,714,122
808,790	SUSE (Marcel Lux IV SARL), Facility B1 USD, 1 Mo. LIBOR + 3.25%, 0.00% Floor	5.60%	09/30/25	803,736
2,403,762	Vertafore, Inc., Term Loan B, 1 Mo. LIBOR + 3.25%, 0.00% Floor	5.59%	06/15/25	2,360,687
				24,948,668
12,558,686	Technology Hardware, Storage & Peripherals – 3.4% Dell International, LLC, Term Loan B, 1 Mo. LIBOR + 2.00%, 0.75% Floor	4.35%	09/07/23	12,395,799
317,491	Trading Companies & Distributors – 0.1% Reece International Pty Ltd. (Hamilton), Term Loan B, 3 Mo. LIBOR + 2.00%, 0.00% Floor	4.40%	07/02/25	314,317
	Total Senior Floating-Rate Loan Interests			500,112,413
	(Cost \$511,557,146)			
Principal Value	Description	Stated Coupon	Stated Maturity	Value
	CORPORATE BONDS AND NOTES (c) – 3.7%			
1,093,000	Auto Parts & Equipment – 0.3% American Axle & Manufacturing, Inc.	6.63%	10/15/22	1,095,732

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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments (Continued)

November 30, 2018 (Unaudited)

Principal Value	Description	Stated Coupon	Stated Maturity	Value
CORPORATE BONDS AND NOTES (c) (Continued)				
	Cable & Satellite – 0.4%			
\$1,000,000	CCO Holdings, LLC / CCO Holdings Capital Corp.	5.75%	01/15/24	\$1,007,700
557,000	CSC Holdings, LLC (g)	5.50%	05/15/26	540,812
				1,548,512
	Health Care Facilities – 2.8%			
1,000,000	Select Medical Corp.	6.38%	06/01/21	1,010,950
800,000	Tenet Healthcare Corp.	6.00%	10/01/20	818,200
5,776,000	Tenet Healthcare Corp. (g)	7.50%	01/01/22	5,999,820
2,136,000	Tenet Healthcare Corp.	8.13%	04/01/22	2,229,450
				10,058,420
	Health Care Services – 0.1%			
438,000	DaVita, Inc.	5.13%	07/15/24	422,123
	Industrial Machinery – 0.1%			
325,000	SPX FLOW, Inc. (g)	5.63%	08/15/24	315,250
	Total Corporate Bonds and Notes			13,440,037
	(Cost \$13,438,332)			
FOREIGN CORPORATE BONDS AND NOTES (c) – 0.4%				
	Pharmaceuticals – 0.4%			
1,601,000	Bausch Health Companies, Inc. (Valeant) (g)	5.27%	12/01/21	1,605,003
	(Cost \$1,579,583)			
Shares	Description			Value
COMMON STOCKS (c) – 0.9%				
	Broadcasting – 0.1%			
25,815	Cumulus Media New Holdings (d) (h)			387,225
	Electric Utilities – 0.7%			
106,607	Vistra Energy Corp. (h)			2,503,132
	Oil & Gas Exploration & Production – 0.1%			
119,734	American Energy Marcellus, Class A (h) (i)			354,233

3,699	Fieldwood Energy Equity (h) (i)	154,125
		508,358
	Total Common Stocks	3,398,715
	(Cost \$3,357,338)	
RIGHTS (c) – 0.0%		
	Electric Utilities – 0.0%	
106,607	Vistra Energy Corp. (h)	85,605
175,376	Vistra Energy Corp. Claim (h) (j) (k)	0
		85,605
	Life Sciences Tools & Services – 0.0%	
1	New Millennium Holdco, Inc., Corporate Claim Trust (h) (j) (k) (l)	0
1	New Millennium Holdco, Inc., Lender Claim Trust (h) (j) (k) (l)	0
		0
	Total Rights	85,605
	(Cost \$178,763)	

See Notes to Financial Statements

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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments (Continued)

November 30, 2018 (Unaudited)

Shares	Description	Value
	WARRANTS (c) – 0.0%	
	Oil & Gas Exploration & Production – 0.0%	
31,000	American Energy Marcellus First Lien Warrants (h)	\$930
	(Cost \$3,100)	
	MONEY MARKET FUNDS (c) – 2.2%	
	Morgan Stanley Institutional Liquidity Funds - Treasury Portfolio - Institutional Class -	
8,000,000	2.10% (m)	8,000,000
	(Cost \$8,000,000)	
	Total Investments – 143.7%	526,642,703
	(Cost \$538,114,262) (n)	
	Outstanding Loans – (42.6)%	(156,000,000)
	Net Other Assets and Liabilities – (1.1)%	(4,113,111)
	Net Assets – 100.0%	\$366,529,592

Senior Floating-Rate Loan Interests (“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 LIBOR, (ii) the prime rate (a) 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 LIBOR rate. When a range of rates is disclosed, the Fund holds more than one contract within the same tranche with identical LIBOR period, spread and floor, but different LIBOR reset dates.

(b) 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.

(c) All of these securities are available to serve as collateral for the outstanding loans.

On June 4, 2018, Cumulus Media Holdings, Inc. completed a Bankruptcy Plan of Reorganization. In connection (d) with the Plan of Reorganization, the Fund received a portion of a new exit term loan and a share of the newly issued common equity shares in the re-organized company.

(e) This issuer is in default and interest is not being accrued by the Fund nor paid by the issuer.

(f) This issuer has filed for protection in bankruptcy court.

This security, sold within the terms of a private placement memorandum, is exempt from registration upon resale under Rule 144A under the Securities Act of 1933, as amended (the “1933 Act”), and may be resold in transactions exempt from registration, normally to qualified institutional buyers. Pursuant to procedures adopted by the Fund’s

(g) Board of Trustees, this security has been determined to be liquid by First Trust Advisors L.P. (the “Advisor”).

Although market instability can result in periods of increased overall market illiquidity, liquidity for each security is determined based on security specific factors and assumptions, which require subjective judgment. At November 30, 2018, securities noted as such amounted to \$8,460,885 or 2.3% of net assets.

(h) Non-income producing security.

(i)

Security received in a transaction exempt from registration under the 1933 Act. The security may be resold pursuant to an exemption from registration under the 1933 Act, typically to qualified institutional buyers. Pursuant to procedures adopted by the Fund's Board of Trustees, this security has been determined to be liquid by the Advisor. Although market instability can result in periods of increased overall market illiquidity, liquidity for the security is determined based on security-specific factors and assumptions, which require subjective judgment. At November 30, 2018, securities noted as such amounted to \$508,358 or 0.1% of net assets.

- This security is fair valued by the Advisor's Pricing Committee in accordance with procedures adopted by the
- (j) Fund's Board of Trustees, and in accordance with the provisions of the Investment Company Act of 1940, as amended. At November 30, 2018, securities noted as such are valued at \$0 or 0.0% of net assets.
 - (k) This security's value was determined using significant unobservable inputs (see Note 2A – Portfolio Valuation in the Notes to Financial Statements).
 - (l) Pursuant to procedures adopted by the Fund's Board of Trustees, this security has been determined to be illiquid by the Advisor.
 - (m) Rate shown reflects yield as of November 30, 2018.
Aggregate cost for financial reporting purposes approximates the aggregate cost for federal income tax purposes. As of November 30, 2018, the aggregate gross unrealized appreciation for all investments in which there was an
 - (n) excess of value over tax cost was \$1,056,991 and the aggregate gross unrealized depreciation for all investments in which there was an excess of tax cost over value was \$12,528,550. The net unrealized depreciation was \$11,471,559.

LIBOR London Interbank Offered Rate

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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments (Continued)

November 30, 2018 (Unaudited)

Valuation Inputs

A summary of the inputs used to value the Fund's investments as of November 30, 2018 is as follows (see Note 2A - Portfolio Valuation in the Notes to Financial Statements):

	Total Value at 11/30/2018	Level 1 Quoted Prices	Level 2 Significant Observable Inputs	Level 3 Significant Unobservable Inputs
Senior Floating-Rate Loan Interests*	\$ 500,112,413	\$ —	\$ 500,112,413	\$ —
Corporate Bonds and Notes*	13,440,037	—	13,440,037	—
Foreign Corporate Bonds and Notes*	1,605,003	—	1,605,003	—
Common Stocks:				
Electric Utilities	2,503,132	2,503,132	—	—
Other industry categories*	895,583	—	895,583	—
Rights:				
Electric Utilities	85,605	—	85,605	—**
Life Sciences Tools & Services	—**	—	—	—**
Warrants*	930	—	930	—
Money Market Funds	8,000,000	8,000,000	—	—
Total Investments	\$ 526,642,703	\$ 10,503,132	\$ 516,139,573	\$ —**

* See Portfolio of Investments for industry breakout.

** Investment is valued at \$0.

Level 3 Rights are fair valued by the Advisor's Pricing Committee and are footnoted in the Portfolio of Investments. These values are based on unobservable and non-quantitative inputs.

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First Trust Senior Floating Rate Income Fund II (FCT)

Statement of Assets and Liabilities

November 30, 2018 (Unaudited)

ASSETS:

Investments, at value

(Cost \$538,114,262)	\$ 526,642,703
<hr/>	
Cash	527,120
<hr/>	
Receivables:	
Interest	2,209,166
<hr/>	
Investment securities sold	708,342
<hr/>	
Prepaid expenses	7,688
<hr/>	
Total Assets	530,095,019
<hr/>	
LIABILITIES:	
Outstanding loans	156,000,000
<hr/>	
Payables:	
Investment securities purchased	6,816,978
<hr/>	
Investment advisory fees	320,592
<hr/>	
Interest and fees on loans	170,057
<hr/>	
Administrative fees	119,397
<hr/>	
Legal fees	47,352
<hr/>	
Audit and tax fees	41,582
<hr/>	
Custodian fees	16,891
<hr/>	
Shareholder reporting fees	12,588
<hr/>	
Transfer agent fees	3,304
<hr/>	
Trustees' fees and expenses	2,807
<hr/>	
Financial reporting fees	771
<hr/>	
Other liabilities	13,108
<hr/>	

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Total Liabilities	163,565,427
<hr/>	
NET ASSETS	\$366,529,592
<hr/>	
NET ASSETS consist of:	
Paid-in capital	\$ 403,582,854
<hr/>	
Par value	266,970
<hr/>	
Accumulated distributable earnings (loss)	(37,320,232)
<hr/>	
NET ASSETS	\$366,529,592
<hr/>	
NET ASSET VALUE, per Common Share (par value \$0.01 per Common Share)	\$13.73
<hr/>	
Number of Common Shares outstanding (unlimited number of Common Shares has been authorized)	26,696,982
<hr/>	

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First Trust Senior Floating Rate Income Fund II (FCT)

Statement of Operations

For the Six Months Ended November 30, 2018 (Unaudited)

INVESTMENT

INCOME:

Interest \$ 13,788,581

Dividends 20

Other 372,596

Total investment income 14,161,197

EXPENSES:

Investment advisory fees 1,948,951

Interest and fees on loans 2,201,704

Administrative fees 177,165

Shareholder reporting fees 51,364

Legal fees 43,510

Custodian fees 36,111

Audit and tax fees 31,932

Transfer agent fees 14,735

Listing expense 13,547

Trustees' fees and expenses 8,275

Financial reporting fees 4,625

Other 2,072

Total expenses 4,533,991

NET
INVESTMENT
INCOME 9,627,206
(LOSS)

NET
REALIZED
AND
UNREALIZED
GAIN (LOSS):
Net realized
gain (loss) on
investments (2,534,948)

Net change in
unrealized
appreciation
(depreciation) (5,967,059)
on investments

NET
REALIZED
AND
UNREALIZED (8,502,007)
GAIN (LOSS)

NET
INCREASE
(DECREASE)
IN NET
ASSETS \$ 1,125,199
RESULTING
FROM
OPERATIONS

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First Trust Senior Floating Rate Income Fund II (FCT)

Statements of Changes in Net Assets

	Six Months Ended 11/30/2018 (Unaudited)	Year Ended 5/31/2018
OPERATIONS:		
Net investment income (loss)	\$ 9,627,206	\$ 18,615,034
Net realized gain (loss)	(2,534,948)	(4,502,205)
Net change in unrealized appreciation (depreciation)	(5,967,059)	(52,148)
Net increase (decrease) in net assets resulting from operations	1,125,199	14,060,681
DISTRIBUTIONS TO SHAREHOLDERS FROM:		
Investment operations	(9,610,913)	
Net investment income		(18,612,204)
Return of capital	—	(1,730,896)
Total distributions to shareholders	(9,610,913)	(20,343,100)
Total increase (decrease) in net assets	(8,485,714)	(6,282,419)
NET ASSETS:		
Beginning of period	375,015,306	381,297,725
End of period	\$ 366,529,592	\$ 375,015,306
Accumulated net investment income (loss) at end of period		\$92,009
COMMON SHARES:		
Common Shares at end of period	26,696,982	26,696,982

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First Trust Senior Floating Rate Income Fund II (FCT)

Statement of Cash Flows

For the Six Months Ended November 30, 2018 (Unaudited)

Cash flows from operating activities:

Net increase (decrease) in net assets resulting from operations	\$1,125,199
Adjustments to reconcile net increase (decrease) in net assets resulting from operations to net cash provided by operating activities:	
Purchases of investments	(283,668,355)
Sales, maturities and paydown of investments	282,991,774
Net amortization/accretion of premiums/discounts on investments	9,883
Net realized gain/loss on investments	2,534,948
Net change in unrealized appreciation/depreciation on investments	5,967,059
Changes in assets and liabilities:	
Increase in interest receivable	(220,345)
Increase in prepaid expenses	(4,645)
Decrease in interest and fees payable on loans	(11,078)
Decrease in investment advisory fees payable	(14,126)
Decrease in audit and tax fees payable	(25,068)
Increase in legal fees payable	14,016
Decrease in shareholder reporting fees payable	(15,524)
Increase in administrative fees payable	11,119
Increase in custodian fees payable	4,994
Increase in transfer agent fees payable	1,254
Increase in Trustees' fees and expenses payable	93
Increase in financial reporting fees payable	1
Increase in other liabilities payable	9,663
Cash provided by operating activities	\$8,710,862

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Cash flows from financing activities:

Distributions to Common Shareholders from investment operations	(9,610,913)
Repayment of borrowings	(60,000,000)
Proceeds from borrowings	61,000,000
Cash used in financing activities	(8,610,913)
Increase in cash	99,949
Cash at beginning of period	427,171
Cash at end of period	\$527,120
Supplemental disclosure of cash flow information:	
Cash paid during the period for interest and fees	\$2,212,782

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First Trust Senior Floating Rate Income Fund II (FCT)

Financial Highlights

For a Common Share outstanding throughout each period

	Six Months Ended 11/30/2018 (Unaudited)	Year Ended May 31,				
		2018	2017	2016	2015	2014
Net asset value, beginning of period	\$ 14.05	\$ 14.28	\$ 14.03	\$ 14.71	\$ 14.95	\$ 15.14
Income from investment operations:						
Net investment income (loss)	0.36	0.70	0.78	0.83	0.87	0.84
Net realized and unrealized gain (loss)	(0.32)	(0.17)	0.30	(0.63)	(0.27)	(0.08)
Total from investment operations	0.04	0.53	1.08	0.20	0.60	0.76
Distributions paid to shareholders from:						
Net investment income	(0.36)	(0.70)	(0.78)	(0.88)	(0.84)	(0.95)
Return of capital	—	(0.06)	(0.05)	—	—	—
Total distributions paid to Common Shareholders	(0.36)	(0.76)	(0.83)			