

FIRST TRUST SENIOR FLOATING RATE INCOME FUND II
Form N-CSR
August 08, 2018

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: May 31, 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)
Annual Report
For the Year Ended
May 31, 2018

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First Trust Senior Floating Rate Income Fund II (FCT)

Annual Report

May 31, 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 to 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)

Annual Letter from the Chairman and CEO

May 31, 2018

Dear Shareholders,

First Trust is pleased to provide you with the annual report for the First Trust Senior Floating Rate Income Fund II which contains detailed information about your investment for the period ended May 31, 2018, including a market overview and a performance analysis for the period. We encourage you to read this report carefully and discuss it with your financial advisor.

As you are no doubt aware, 2017 was a very strong year for both the U.S. and global markets. The three major U.S. indices – the S&P 500® Index, the Dow Jones Industrial Average and the Nasdaq Composite – posted their best performance since 2013. And there was more good news for Wall Street as the year ended and analysts collected stock market data:

- The S&P 500® Index did something it had never previously done, finishing 2017 with 12 months of gains;
- The Dow Jones Industrial Average achieved a milestone as well, closing above 24,000 for the first time ever on November 30; and
- The Nasdaq Composite set a record by having 11 months of gains in 2017 (June was the only down month, and by just 0.86%).

As 2017 ended, President Trump signed the “Tax Cuts and Jobs Act of 2017” tax reform bill. As 2018 began, there was much enthusiasm for this tax reform package and the potential increase in take-home pay for many Americans, as well as the reduction in the federal corporate tax rate from 35% to 21%. Early in the year, many investors were also watching the Federal Reserve (the “Fed”) and its signaled intent to continue raising interest rates at a gradual pace. Based on strong job growth and the economic outlook in the U.S., the Fed did, in fact, raise interest rates on March 21, 2018. At the Fed’s May 2018 meeting, interest rates were unchanged, but the statement the Fed released points to the possibility of two or more rate hikes in the latter part of 2018.

For the entire first quarter of 2018, increased volatility was the norm. The S&P 500® Index was off to a strong start in January as it returned over 7.5% from January 2 to January 26. February, however, was a different story. Early in the month, the Dow Jones Industrial Average plunged 567 points and sank into “correction” territory (defined as a drop of 10% from the index’s high) and in just two weeks, was down more than 3,200 points. However, as February came to a close, the Dow Jones Industrial Average was back on track and up from the lows experienced earlier in the month. Volatility continued in March and April with the Dow Jones Industrial Average ending April with a small gain, while May ended with a slight decline. Across the globe, the first quarter saw the Emerging Market and Developing Market countries, as well as Europe, continue with the strong performances experienced in 2017.

The market volatility we saw during the first quarter of 2018 has continued into the second quarter, both in the U.S. and abroad. Both the U.S. and international markets have been affected by talk of a so-called “trade war” and tariffs on imports from China (and other countries), as well as geopolitical concerns around a possible war with Syria, continued concerns regarding North Korea and the potential effects of the political goals of Italy’s new prime minister. This market volatility is why we believe that one should invest for the long term and be prepared for market movements, which can happen at any time. This can be accomplished by keeping current on your portfolio and investing goals and by speaking regularly with your investment professional. As we’ve said before, markets go up and they also go down, but savvy investors are prepared for either through careful attention to their portfolios and investment goals.

At First Trust, we continue to be optimistic about the U.S. economy and we thank you for giving us the opportunity to be a part of your financial plan. We value our relationship with you and will report on your investment 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 May 31, 2018 (Unaudited)

Fund Statistics

| | |
|--|---------------|
| Symbol on New York Stock Exchange | FCT |
| Common Share Price | \$12.99 |
| Common Share Net Asset Value (“NAV”) | \$14.05 |
| Premium (Discount) to NAV | (7.54)% |
| Net Assets Applicable to Common Shares | \$375,015,306 |
| 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⁾ | 5.54% |
| Current Distribution Rate on NAV ⁽²⁾ | 5.12% |

Common Share Price & NAV (weekly closing price)

Performance

| | Average Annual Total Return | | | |
|---------------------------------------|-----------------------------|-----------------------|------------------------|--------------------------------|
| | 1 Year Ended 5/31/18 | 5 Years Ended 5/31/18 | 10 Years Ended 5/31/18 | Inception (5/25/04) to 5/31/18 |
| Fund Performance⁽³⁾ | | | | |
| NAV | 4.24% | 4.91% | 4.70% | 4.38% |
| Market Value | 1.05% | 2.96% | 4.99% | 3.45% |
| Index Performance | | | | |
| S&P/LSTA Leveraged Loan Index | 4.20% | 3.85% | 5.20% | 4.81% |

⁽¹⁾Most recent distribution paid or declared through 5/31/2018. 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 5/31/2018. Subject to change in the future.⁽³⁾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 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 May 31, 2018 (Unaudited)

| Credit Quality (S&P Ratings) ⁽⁴⁾ | % of Senior Loans and Other Debt Securities ⁽⁵⁾ |
|---|--|
| BBB+ | 0.1% |
| BBB- | 5.0 |
| BB+ | 3.6 |
| BB | 9.2 |
| BB- | 19.1 |
| B+ | 23.0 |
| B | 22.4 |
| B- | 11.5 |
| CCC+ | 1.3 |
| CCC | 2.1 |
| CC | 0.9 |
| D | 0.8 |
| Privately rated ⁽⁶⁾ | 0.2 |
| Not Rated | 0.8 |
| Total | 100.0% |

| Industry Classification | % of Senior Loans and Other Securities ⁽⁵⁾ |
|--|---|
| Health Care Providers & Services | 16.0% |
| Hotels, Restaurants & Leisure | 12.9 |
| Software | 11.9 |
| Pharmaceuticals | 7.1 |
| Life Sciences Tools & Services | 5.1 |
| Diversified Financial Services | 5.0 |
| Food & Staples Retailing | 3.8 |
| Professional Services | 3.5 |
| Insurance | 3.2 |
| Media | 2.9 |
| Containers & Packaging | 2.9 |
| Technology Hardware, Storage & Peripherals | 2.4 |
| Food Products | 2.4 |
| Diversified Telecommunication Services | 1.9 |
| Commercial Services & Supplies | 1.7 |
| Capital Markets | 1.6 |
| Health Care Equipment & Supplies | 1.5 |
| Auto Components | 1.5 |
| Health Care Technology | 1.4 |
| Building Products | 1.4 |
| Household Products | 1.3 |
| Chemicals | 1.2 |
| Electric Utilities | 1.1 |
| Diversified Consumer Services | 1.1 |
| Industrial Conglomerates | 0.9 |

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| | |
|---|--------|
| Aerospace & Defense | 0.8 |
| Semiconductors & Semiconductor Equipment | 0.7 |
| Specialty Retail | 0.7 |
| Household Durables | 0.7 |
| Oil, Gas & Consumable Fuels | 0.4 |
| Independent Power and Renewable Electricity Producers | 0.4 |
| Wireless Telecommunication Services | 0.4 |
| Machinery | 0.2 |
| Construction & Engineering | 0.0* |
| Total | 100.0% |

* Amount is less than 0.1%.

| Top 10 Issuers | % of Senior Loans and other Securities ⁽⁵⁾ |
|--|---|
| MultiPlan, Inc. (MPH Acquisition Holdings LLC) | 3.0% |
| Portillo's Holdings LLC | 3.0 |
| BMC Software Finance, Inc. | 2.7 |
| Valeant Pharmaceuticals International, Inc. | 2.6 |
| Amaya Holdings B.V. | 2.6 |
| Reynolds Group Holdings, Inc. | 2.5 |
| Dell, Inc. (Diamond 1 Finance Corp.) | 2.4 |
| AlixPartners | 2.3 |
| BJ's Wholesale Club, Inc. | 1.8 |
| Caesars Resorts Collection | 1.8 |
| Total | 24.7% |

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)

Annual Report

May 31, 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 May 31, 2018, the First Trust Leveraged Finance Team managed or supervised approximately \$4.07 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

The twelve-month period ended May 31, 2018 proved to be favorable for senior loans, which experienced 10 months of positive returns, and outperformed other fixed income asset classes. Specifically, the last twelve month (“LTM”) total return for the S&P/LSTA Leveraged Loan Index (the “Index”) was 4.20%. This compares to 2.29% for high-yield bonds, 1.88% for preferred securities, 0.09% for investment grade bonds and -0.37% for the US Aggregate Index.¹ For reference, the S&P 500[®] Total Return Index returned 14.38% over the same time period.

The senior loan asset class continues to see strong demand from investors. In turn, this demand has resulted in a wave of re-pricings (reduced spread) and refinancings. In fact, of the \$896.5 billion in institutional loan issuance during the prior year period, 69.5%, or about \$623.0 billion, was used for re-pricing and refinancing (JP Morgan). Investor demand for the senior loan asset class has resulted in approximately \$6.5 billion of inflows over the prior year period (JP Morgan). The primary factor influencing this demand has been the gradual increase in the Federal Funds Rate by the U.S. Federal Reserve (the “Fed”). More specifically, the Fed implemented three 25 basis point (bps) rate hikes in the Federal Funds Rate over the prior year to end the period at 175 bps. This increase in the Federal Funds Rate has also led to an increase in 3-month London Interbank Offered Rate (“LIBOR”) from 121 bps to 232 bps, an increase of 111 bps over the same time period. We believe that loans have begun to benefit from this increase in LIBOR, as we appear to have reached the inflection point where LIBOR increases are offsetting the spread declines from the heavy refinancing rate.

Senior Loan Market

The Index returned 4.20% for the twelve-month period ending May 31, 2018. Lower quality CCC rated issues returned 7.17% in the period, outperforming the 4.43% return for higher quality B rated issues and the 3.78% return for even higher quality BB rated issues. The average bid price of loans in the market remained relatively stable, entering the period at \$98.33 and ending the period at \$98.35. The discounted spread to a 3-year life for the senior loan market began the period at L+413 and ended the period at L+379, a tightening of 34 bps.

¹ High-Yield Bonds are represented by the ICE BofAML US High Yield Constrained Index, Preferred Securities are represented by the ICE BofAML Fixed Rate Preferred Securities Index, Investment Grade Bonds are represented by

the ICE BofAML US Corporate Index and the US Aggregate Index is represented by the Bloomberg Barclays US Aggregate Bond Index.

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Portfolio Commentary (Continued)

First Trust Senior Floating Rate Income Fund II (FCT)

Annual Report

May 31, 2018 (Unaudited)

The default rate within the Index remains below the long term average for senior loans. The LTM default rate within the Index ended the period at 2.12%, which compares favorably to the long-term average default rate of 3.01% dating back to March 1999. We believe the default rate remains below the long-term average because overall corporate fundamentals remain healthy. Given the lack of near-term debt maturities and favorable access to capital markets that companies are enjoying, we believe default rates for both senior loans and high-yield bonds will remain relatively benign for some time.

Performance Analysis

The Fund marginally outperformed the Index on a NAV basis but underperformed the Index on a market value basis for the LTM period. The Fund generated a NAV return² of 4.24% and a market price return² of 1.05% while the Index generated a total return of 4.20%. The Fund's discount to NAV ended the period 292 bps wider than one year ago. At the start of the period, the Fund's market price was at a -4.62% discount to NAV and widened to a -7.54% discount to NAV by the end of the period.

Contributing to the Fund's outperformance relative to the Index over the period was the Fund's use of leverage. The use of leverage was beneficial to Fund returns as loan returns outpaced the cost of borrowing. Leverage entered the period at 27.7% of managed assets and ended the period at 29.3%. Additionally, the Fund's overweight position and selection within the drug industry benefitted returns as this industry outperformed the broader market. Partially offsetting these tailwinds were the Fund's selection within the oil & gas and retail (except food & drug) industries.

From an income perspective, the monthly announced distribution rate began the period at \$0.0663 per share and ended at \$0.06 per share. At the \$0.06 per share monthly distribution rate, the annualized distribution rate at the end of May 2018 was 5.12% at NAV and 5.54% at market price.

Market and Fund Outlook

We believe the current healthy credit market environment may persist for the near to intermediate term. The positive backdrop for the senior loan and high-yield bond asset classes continues to be the fact that the U.S. economy is on solid ground, in our opinion. We believe the combination of improved inflation data in the U.S., less accommodation from global central banks and increased U.S. Treasury issuance to fund greater deficits will likely continue to increase interest rate volatility and continue to propel interest rates higher. Higher interest rates would drive long-duration bond prices (the most interest rate sensitive) to be lower, in our opinion. While this may also result in credit market volatility, we remain confident in our belief that the favorable backdrop for the macro economy will persist for the near to intermediate term. Specifically, we believe senior loans, given their senior secured position in the capital structure, floating interest rate, attractive income and low default rate, are well positioned as we move through 2018. Finally, we believe that, with the potential for additional interest rate hikes on the horizon, LIBOR should continue to migrate higher through 2018 and into 2019. 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.

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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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments

May 31, 2018

| Principal Value | Description | Rate (a) | Stated Maturity (b) | Value |
|---|--|----------|---------------------|-------------|
| SENIOR FLOATING-RATE LOAN INTERESTS (c) – 137.9% | | | | |
| | Aerospace & Defense – 1.2% | | | |
| | Transdigm, Inc., Incremental TLE, 1 Mo. LIBOR + 2.50%, 0.00% Floor | | | |
| \$1,540,800 | | 4.48% | 05/30/25 | \$1,535,222 |
| 2,821,824 | Transdigm, Inc., Term Loan F, 1 Mo. LIBOR + 2.50%, 0.00% Floor | 4.48% | 06/09/23 | 2,814,431 |
| | | | | 4,349,653 |
| | Alternative Carriers – 0.7% | | | |
| | Level 3 Financing, Inc., Tranche B 2024 Term Loan, 1 Mo. LIBOR + 2.25%, 0.00% Floor | | | |
| 2,678,397 | | 4.21% | 02/22/24 | 2,679,897 |
| | Application Software – 6.7% | | | |
| | CCC Information Resources, Inc., Term Loan B, 1 Mo. LIBOR + 3.00%, 1.00% Floor | | | |
| 1,633,372 | | 4.99% | 04/26/24 | 1,635,707 |
| 859,054 | Hyland Software, Term-3 Loans, 1 Mo. LIBOR + 3.25%, 0.75% Floor | 5.23% | 07/01/22 | 864,887 |
| 984,481 | Infor (US), Inc., Term Loan B, 1 Mo. LIBOR + 2.75%, 1.00% Floor | 4.73% | 02/02/22 | 983,929 |
| 2,230,934 | Informatica Corp. (Ithacalux S.A.R.L), Term Loan B, 1 Mo. LIBOR + 3.25%, 0.00% Floor | 5.23% | 08/06/22 | 2,244,877 |
| 5,360,344 | JDA Software Group (RP Crown Parent, Inc.), Term Loan B, 1 Mo. LIBOR + 2.75%, 1.00% Floor | 4.73% | 10/12/23 | 5,373,745 |
| 6,653 | Kronos, Inc., Term Loan B, 2 Mo. LIBOR + 3.00%, 0.00% Floor | 5.06% | 11/01/23 | 6,681 |
| 2,654,517 | Kronos, Inc., Term Loan B, 3 Mo. LIBOR + 3.00%, 0.00% Floor | 5.36% | 11/01/23 | 2,665,587 |
| 438,736 | LANDesk Software, Inc., Term Loan B, 1 Mo. LIBOR + 4.25%, 1.00% Floor | 6.24% | 01/18/24 | 431,971 |
| 331,146 | Micro Focus International (MA Finance LLC), MA Finance TLB3, 1 Mo. LIBOR + 2.75%, 0.00% Floor | 4.73% | 06/21/24 | 329,845 |
| 2,236,314 | Micro Focus International (MA Finance LLC), Seattle Spinco TLB, 1 Mo. LIBOR + 2.75%, 0.00% Floor | 4.73% | 06/21/24 | 2,227,525 |
| 524,453 | Mitchell International, Inc., Delayed Draw Term Loan, 1 Mo. LIBOR + 3.25%, 0.00% Floor | 5.22% | 11/30/24 | 524,264 |

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|-----------|--|-------|-------------|------------|
| 6,503,217 | Mitchell International, Inc., Term Loan B, 1 Mo. LIBOR + 3.25%, 0.00% Floor | 5.23% | 11/30/24 | 6,500,876 |
| 1,294,000 | Qlik Technologies (Project Alpha Intermediate Holdings, Inc.), Term Loan B, 6 Mo. LIBOR + 3.50%, 1.00% Floor | 5.99% | 04/26/24 | 1,289,148 |
| | | | | 25,079,042 |
| 748,487 | Asset Management & Custody Banks – 2.3% American Beacon Advisors, Inc. (Resolute Investment Managers), Term Loan B, 3 Mo. LIBOR + 3.25%, 1.00% Floor | 5.55% | 04/30/22 | 750,358 |
| 794,000 | First Eagle Investment Management, Term Loan B, 3 Mo. LIBOR + 3.00%, 0.75% Floor | 5.30% | 12/01/22 | 798,963 |
| 988,886 | Harbourvest Partners L.P., Term Loan B, 3 Mo. LIBOR + 2.25%, 0.00% Floor | 4.55% | 02/28/25 | 988,065 |
| 210,396 | Mondrian Investment Partners Ltd. (MIPL Group Ltd.), Term Loan B, 3 Mo. LIBOR + 3.00%, 1.00% Floor | 5.30% | 03/09/20 | 210,922 |
| 1,758,219 | Victory Capital Holdings (VCH Holdings LLC), Term Loan B, 3 Mo. LIBOR + 2.75%, 0.00% Floor | 5.05% | 02/15/25 | 1,762,615 |
| 635,808 | Virtus Investment Partners, Inc., Delayed Draw Term Loan (d) | 2.50% | (e)06/01/24 | 635,808 |
| 3,612,700 | Virtus Investment Partners, Inc., Term Loan B, 1 Mo. LIBOR + 2.50%, 0.75% Floor | 4.43% | 06/01/24 | 3,620,214 |
| | | | | 8,766,945 |
| 5,456,683 | Auto Parts & Equipment – 2.1% Gates Global, Term Loan B, 3 Mo. LIBOR + 2.75%, 1.00% Floor | 5.05% | 03/31/24 | 5,478,837 |
| 1,279,000 | Lumileds, Term Loan B, 3 Mo. LIBOR + 3.50%, 1.00% Floor | 5.80% | 06/30/24 | 1,274,524 |

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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)

May 31, 2018

| Principal Value | Description | Rate (a) | Stated Maturity (b) | Value |
|--|---|----------|---------------------|-------------|
| SENIOR FLOATING-RATE LOAN INTERESTS (c) (Continued) | | | | |
| | Auto Parts & Equipment (Continued) | | | |
| \$1,237,267 | Tower Automotive Holdings USA LLC, Term Loan B, 1 Mo. LIBOR + 2.75%, 0.00% Floor | 4.69% | 03/06/24 | \$1,240,360 |
| | | | | 7,993,721 |
| 996,972 | Automotive Retail – 0.3% KAR Auction Services, Inc., Term Loan B5, 3 Mo. LIBOR + 2.50%, 0.00% Floor | 4.81% | 03/09/23 | 1,000,093 |
| 2,672,150 | Broadcasting – 1.5% Cumulus Media Holdings, Inc., Term Loan, Prime Rate + 2.25%, 1.00% Floor (f) | 7.00% | 12/23/20 | 2,320,308 |
| 33,483 | Nexstar Broadcasting, Inc., Mission Term Loan, 1 Mo. LIBOR + 2.50%, 0.00% Floor | 4.41% | 01/17/24 | 33,539 |
| 260,087 | Nexstar Broadcasting, Inc., Nexstar Term Loan, 1 Mo. LIBOR + 2.50%, 0.00% Floor | 4.41% | 01/17/24 | 260,518 |
| 567,379 | Tribune Media Co., Extended Term Loan C, 1 Mo. LIBOR + 3.00%, 0.75% Floor | 4.98% | 01/27/24 | 566,670 |
| 45,522 | Tribune Media Co., Term B Loan, 1 Mo. LIBOR + 3.00%, 0.75% Floor | 4.98% | 12/27/20 | 45,522 |
| 2,340,003 | Univision Communications, Inc., Term Loan C5, 1 Mo. LIBOR + 2.75%, 1.00% Floor | 4.73% | 03/15/24 | 2,255,178 |
| | | | | 5,481,735 |
| 189,810 | Building Products – 1.9% Beacon Roofing Supply, Term Loan B, 1 Mo. LIBOR + 2.25%, 0.00% Floor | 4.18% | 01/02/25 | 189,708 |
| 62,578 | Jeld-Wen, Inc., Term Loan B, 3 Mo. LIBOR + 2.00%, 0.00% Floor | 4.30% | 12/07/24 | 62,636 |
| 7,013,986 | Quikrete Holdings, Inc., Term Loan B, 1 Mo. LIBOR + 2.75%, 0.00% Floor | 4.73% | 11/15/23 | 7,013,986 |
| | | | | 7,266,330 |
| 985,714 | Cable & Satellite – 1.2% Cablevision Systems Corp. (CSC Holdings, Inc.), New Term Loan B, 1 Mo. LIBOR + 2.50%, 0.00% Floor | 4.42% | 01/25/26 | 983,250 |

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|------------|--|-------|----------|------------|
| 324,844 | Cablevision Systems Corp. (CSC Holdings, Inc.), Term Loan B, 1 Mo. LIBOR + 2.25%, 0.00% Floor | 4.17% | 07/17/25 | 323,424 |
| 409,406 | Mediacom Broadband LLC, Term Loan N, 1 Mo. LIBOR + 1.75%, 0.00% Floor | 3.51% | 02/15/24 | 409,406 |
| 1,404,305 | UnityMedia, Term Loan E, 1 Mo. LIBOR + 2.00%, 0.00% Floor | 3.80% | 05/31/23 | 1,402,844 |
| 1,107,692 | UPC Financing Partnership, Term Loan AR, 1 Mo. LIBOR + 2.50%, 0.00% Floor | 4.42% | 01/15/26 | 1,103,716 |
| 340,000 | Virgin Media Finance PLC, Term Loan K, 1 Mo. LIBOR + 2.50%, 0.00% Floor | 4.42% | 01/31/26 | 338,878 |
| | | | | 4,561,518 |
| 13,701,131 | Casinos & Gaming – 11.3% Amaya Holdings B.V., Term Loan B, 3 Mo. LIBOR + 3.00%, 0.00% Floor | 5.32% | 04/06/25 | 13,703,871 |
| 9,587,026 | Caesars Resorts Collection, Term Loan B, 1 Mo. LIBOR + 2.75%, 0.00% Floor | 4.73% | 12/22/24 | 9,585,684 |
| 4,798,514 | CityCenter Holdings LLC, Term Loan B, 1 Mo. LIBOR + 2.25%, 0.75% Floor | 4.23% | 04/18/24 | 4,797,746 |
| 2,559,634 | Golden Nugget, Term Loan B, 1 Mo. LIBOR + 2.75%, 0.75% Floor | 4.73% | 10/04/23 | 2,573,507 |
| 1,475,271 | MGM Growth Properties Operating Partnership LP, Term Loan B, 1 Mo. LIBOR + 2.00%, 0.00% Floor | 3.75% | 03/23/25 | 1,474,253 |

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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments (Continued)

May 31, 2018

| Principal Value | Description | Rate (a) | Stated Maturity (b) | Value |
|--|---|-------------|---------------------|------------|
| SENIOR FLOATING-RATE LOAN INTERESTS (c) (Continued) | | | | |
| Casinos & Gaming (Continued) | | | | |
| \$810,416 | Penn National Gaming, Inc., Term Loan B, 1 Mo. LIBOR + 2.50%, 0.75% Floor | 4.48% | 01/19/24 | \$815,075 |
| 5,439,382 | Station Casinos, Inc., Term Loan B, 1 Mo. LIBOR + 2.50%, 0.75% Floor | 4.49% | 06/08/23 | 5,437,098 |
| 3,848,666 | VICI Properties (Caesars), Term Loan B, 1 Mo. LIBOR + 2.00%, 0.00% Floor | 3.96% | 12/20/24 | 3,846,511 |
| | | | | 42,233,745 |
| 1,036,453 | Coal & Consumable Fuels – 0.4% Arch Coal, Inc., Term Loan, 1 Mo. LIBOR + 2.75%, 1.00% Floor | 4.73% | 03/07/24 | 1,036,132 |
| 309,857 | Peabody Energy Corp., Term Loan B, 1 Mo. LIBOR + 2.75%, 0.00% Floor | 4.73% | 03/31/25 | 309,092 |
| | | | | 1,345,224 |
| 1,362,057 | Commercial Printing – 0.4% Multi-Color Corp., Term Loan B, 1 Mo. LIBOR + 2.25%, 0.00% Floor | 4.23% | 11/01/24 | 1,367,165 |
| 185,406 | Construction & Engineering – 0.0% Pike Electric, Inc., Term Loan B, 1 Mo. LIBOR + 3.50%, 1.00% Floor | 5.49% | 03/23/25 | 187,260 |
| 367,500 | Diversified Chemicals – 0.1% Ineos US Finance LLC, Term Loan B, 1 Mo. LIBOR + 2.00%, 0.00% Floor | 3.98% | 03/31/24 | 367,548 |
| 2,968,516 | Diversified Support Services – 1.0% Brickman Group Holdings, Inc., Initial Term Loan (First Lien), 1 Mo. LIBOR + 3.00%, 1.00% Floor | 4.94%-4.98% | 12/18/20 | 2,982,260 |
| 788,774 | Brickman Group Holdings, Inc., Second Lien Term Loan, 1 Mo. LIBOR + 6.50%, 1.00% Floor | 8.44% | 12/18/21 | 792,292 |
| | | | | 3,774,552 |
| 243,169 | Education Services – 0.1% Bright Horizons Family Solutions, Inc., Term Loan B, 1 Mo. LIBOR + 1.75%, 0.75% Floor | 3.73% | 11/07/23 | 243,701 |

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|-----------|---|-------------|----------|-----------|-----------|
| <hr/> | | | | | |
| | Electric Utilities – 0.9% | | | | |
| 370,312 | Dayton Power & Light Co., Term Loan B, 1 Mo. LIBOR + 2.00%, 0.75% Floor | 3.99% | 08/24/22 | 371,546 | |
| <hr/> | | | | | |
| 1,945,076 | Vistra Energy Corp. (f/k/a TXU), Term Loan B-2, 1 Mo. LIBOR + 2.25%, 0.00% Floor | 4.19%-4.23% | 12/14/23 | 1,948,557 | |
| <hr/> | | | | | |
| 1,000,000 | Vistra Energy Corp. (TXU), Term Loan B3, 1 Mo. LIBOR + 2.25%, 0.00% Floor | 4.19% | 12/31/25 | 997,360 | |
| <hr/> | | | | | |
| | | | | | 3,317,463 |
| | Environmental & Facilities Services – 0.8% | | | | |
| 1,105,670 | PSSI (Packers Holdings LLC), Term Loan B, 1 Mo. LIBOR + 3.25%, 1.00% Floor | 5.17% | 12/04/24 | 1,103,824 | |
| <hr/> | | | | | |
| 500,000 | Servicemaster Company, LLC, The, Tranche C Term Loan, 1 Mo. LIBOR + 2.50%, 0.00% Floor | 4.48% | 11/08/23 | 502,345 | |
| <hr/> | | | | | |
| 1,361,465 | WTG Holdings III Corp. (EWT Holdings III Corp.), Term Loan B, 3 Mo. LIBOR + 3.00%, 1.00% Floor | 5.30% | 12/20/24 | 1,369,974 | |
| <hr/> | | | | | |
| | | | | | 2,976,143 |

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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments (Continued)

May 31, 2018

| Principal Value | Description | Rate (a) | Stated Maturity (b) | Value |
|--|--|----------|---------------------|-----------|
| SENIOR FLOATING-RATE LOAN INTERESTS (c) (Continued) | | | | |
| | Food Distributors – 0.5% | | | |
| \$643,500 | TKC Holdings, Inc., Term Loan B, 1 Mo. LIBOR + 4.25%, 1.00% Floor | 6.23% | 01/31/23 | \$646,718 |
| 1,179,000 | US Foods, Inc., Term Loan B, 1 Mo. LIBOR + 2.50%, 0.00% Floor | 4.48% | 06/27/23 | 1,183,020 |
| | | | | 1,829,738 |
| | Food Retail – 2.3% | | | |
| 1,798,062 | Albertsons LLC, FILO ABL TL, 1 Mo. LIBOR + 3.00%, 0.00% Floor | 4.98% | 05/31/23 | 1,799,411 |
| 2,848,954 | Albertsons LLC, Term Loan B5, 3 Mo. LIBOR + 3.00%, 0.75% Floor | 5.29% | 12/21/22 | 2,818,270 |
| 4,228,163 | Albertsons LLC, Term Loan B6, 3 Mo. LIBOR + 3.00%, 0.75% Floor | 5.32% | 06/22/23 | 4,177,341 |
| | | | | 8,795,022 |
| | Health Care Equipment – 2.1% | | | |
| 3,799,398 | DJO Finance LLC (ReAble Therapeutics Finance LLC), Initial Term Loan, 1 Mo. LIBOR + 3.25%, 1.00% Floor | 5.23% | 06/08/20 | 3,808,099 |
| 3,849,075 | DJO Finance LLC (ReAble Therapeutics Finance LLC), Initial Term Loan, 3 Mo. LIBOR + 3.25%, 1.00% Floor | 5.56% | 06/08/20 | 3,857,889 |
| 198,500 | Kinetic Concepts, Inc. (Acelity L.P., Inc.), Term Loan B, 3 Mo. LIBOR + 3.25%, 1.00% Floor | 5.55% | 01/31/24 | 199,542 |
| | | | | 7,865,530 |
| | Health Care Facilities – 4.2% | | | |
| 1,042,097 | Acadia Healthcare Co., Inc., Term Loan B3, 1 Mo. LIBOR + 2.50%, 0.00% Floor | 4.48% | 02/11/22 | 1,048,932 |
| 1,192,670 | Acadia Healthcare Co., Inc., Term Loan B4, 1 Mo. LIBOR + 2.50%, 0.00% Floor | 4.48% | 02/16/23 | 1,200,494 |
| 1,519,588 | CHS/Community Health Systems, Inc., Term Loan G, 3 Mo. LIBOR + 3.00%, 1.00% Floor | 5.31% | 12/31/19 | 1,511,428 |
| 1,699,735 | Concentra, Inc. (MJ Acquisition Corp.), Term Loan B, 1 Mo. LIBOR + 2.75%, 1.00% Floor | 4.66% | 06/01/22 | 1,703,984 |
| 6,551,265 | Kindred Healthcare, Inc., New Term Loan, 3 Mo. LIBOR + 3.50%, 1.00% Floor | 5.88% | 04/09/21 | 6,543,076 |

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|-----------|--|-------|----------|------------|
| 3,672,236 | National Veterinary Associates (NVA Holdings, Inc.), Term Loan B, 3 Mo. LIBOR + 2.75%, 1.00% Floor | 5.05% | 02/02/25 | 3,674,550 |
| | | | | 15,682,464 |
| 4,157,551 | Health Care Services – 10.8% 21st Century Oncology, Inc., Tranche B Term Loan, 3 Mo. LIBOR + 6.13%, 1.00% Floor | 8.48% | 01/16/23 | 3,982,934 |
| 289,408 | Air Medical Group, New Term Loan B, 1 Mo. LIBOR + 4.25%, 1.00% Floor | 6.18% | 03/14/25 | 290,010 |
| 2,839,084 | Air Methods Corp. (ASP AMC Intermediate Holdings, Inc.), Term Loan B, 3 Mo. LIBOR + 3.50%, 1.00% Floor | 5.80% | 04/30/24 | 2,821,340 |
| 5,550 | CHG Healthcare Services, Inc, Term Loan B, 2 Mo. LIBOR + 3.00%, 1.00% Floor | 5.06% | 06/07/23 | 5,586 |
| 2,203,245 | CHG Healthcare Services, Inc, Term Loan B, 3 Mo. LIBOR + 3.00%, 1.00% Floor | 5.36% | 06/07/23 | 2,217,566 |
| 3,580,216 | Curo Health Services Holdings, Inc., Term Loan B, 2 Mo. LIBOR + 4.00%, 1.00% Floor | 6.09% | 02/05/22 | 3,582,472 |
| 2,855,635 | DuPage Medical Group (Midwest Physician), Term Loan B, 1 Mo. LIBOR + 2.75%, 0.75% Floor | 4.71% | 08/15/24 | 2,837,730 |
| 4,603,882 | Envision Healthcare Corp. (Emergency Medical Services Corp.), Term Loan B, 1 Mo. LIBOR + 3.00%, 0.75% Floor | 4.99% | 12/01/23 | 4,608,532 |

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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments (Continued)

May 31, 2018

| Principal Value | Description | Rate (a) | Stated Maturity (b) | Value |
|--|--|-------------|---------------------|------------|
| SENIOR FLOATING-RATE LOAN INTERESTS (c) (Continued) | | | | |
| Health Care Services (Continued) | | | | |
| \$814,823 | ExamWorks Group, Inc., Term Loan B, 1 Mo. LIBOR + 3.25%, 1.00% Floor | 5.23% | 07/27/23 | \$819,663 |
| 4,587,378 | Healogics, Inc. (CDRH Parent, Inc.), Initial Term Loan (First Lien), 3 Mo. LIBOR + 4.25%, 1.00% Floor | 6.28% | 07/01/21 | 4,166,853 |
| 4,539,411 | Surgery Centers Holdings, Inc., Term Loan B, 2 Mo. LIBOR + 3.25%, 1.00% Floor | 5.35% | 08/31/24 | 4,530,922 |
| 5,404,347 | Team Health, Inc., Term Loan B, 1 Mo. LIBOR + 2.75%, 1.00% Floor | 4.73% | 02/06/24 | 5,210,709 |
| 5,284,564 | U.S. Renal Care, Inc., Term Loan B, 3 Mo. LIBOR + 4.25%, 1.00% Floor | 6.55% | 12/30/22 | 5,255,922 |
| | | | | 40,330,239 |
| Health Care Supplies – 0.1% | | | | |
| 410,207 | ConvaTec, Inc., Term Loan B, 3 Mo. LIBOR + 2.25%, 0.75% Floor | 4.55% | 10/31/23 | 410,978 |
| Health Care Technology – 2.0% | | | | |
| 5,558,629 | Change Healthcare Holdings, Inc., Term Loan B, 1 Mo. LIBOR + 2.75%, 1.00% Floor | 4.73% | 03/01/24 | 5,554,460 |
| 2,031,036 | Cotiviti Corp., Term Loan B, 3 Mo. LIBOR + 2.25%, 0.00% Floor | 4.56% | 09/28/23 | 2,028,497 |
| | | | | 7,582,957 |
| Hotels, Resorts & Cruise Lines – 0.5% | | | | |
| 1,352,212 | Extended Stay America (ESH Hospitality, Inc.), Term Loan B, 1 Mo. LIBOR + 2.00%, 0.00% Floor | 3.98% | 08/30/23 | 1,353,267 |
| 444,375 | Four Seasons Holdings, Inc., Term Loan B, 1 Mo. LIBOR + 2.00%, 0.00% Floor | 3.98% | 11/30/23 | 445,548 |
| | | | | 1,798,815 |
| Household Appliances – 0.9% | | | | |
| 3,477,628 | Traeger Grills, Term Loan B, 1 Mo. LIBOR + 4.25%, 1.00% Floor | 6.23% | 09/25/24 | 3,501,553 |
| 5,303,611 | Household Products – 1.9% | 4.06%-4.10% | 06/23/22 | 5,296,133 |

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Spectrum Brands, Inc., Term Loan B, 2 Mo. LIBOR + 2.00%,
0.00% Floor

| | | | | |
|-----------|---|-------|----------|-----------|
| 1,696,389 | Spectrum Brands, Inc., Term Loan B, 3 Mo. LIBOR + 2.00%, 0.00% Floor | 4.36% | 06/23/22 | 1,693,997 |
| | | | | 6,990,130 |
| 1,992,500 | Human Resource & Employment Services – 0.5% Tempo Acquisition, Term Loan B, 1 Mo. LIBOR + 3.00%, 0.00% Floor | 4.98% | 05/01/24 | 1,992,918 |
| 8,227,403 | Hypermarkets & Super Centers – 2.6% BJ’s Wholesale Club, Inc., 1st Lien Term Loan, 1 Mo. LIBOR + 3.50%, 1.00% Floor | 5.42% | 01/31/24 | 8,233,985 |
| 1,451,165 | BJ’s Wholesale Club, Inc., 2nd Lien Term Loan, 1 Mo. LIBOR + 7.50%, 1.00% Floor | 9.42% | 02/03/25 | 1,463,863 |
| | | | | 9,697,848 |
| 1,945,000 | Independent Power Producers & Energy Traders – 0.5% Calpine Corp., Term Loan B5, 3 Mo. LIBOR + 2.50%, 0.00% Floor | 4.81% | 01/15/24 | 1,945,000 |
| 112,174 | Industrial Conglomerates – 1.2% Accudyne Industries, Term Loan B, 1 Mo. LIBOR + 3.25%, 1.00% Floor | 5.23% | 08/18/24 | 112,414 |

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Portfolio of Investments (Continued)

May 31, 2018

| Principal Value | Description | Rate (a) | Stated Maturity (b) | Value |
|--|--|-------------|---------------------|-------------|
| SENIOR FLOATING-RATE LOAN INTERESTS (c) (Continued) | | | | |
| Industrial Conglomerates (Continued) | | | | |
| \$4,423,232 | Gardner Denver, Inc., Term Loan B, 3 Mo. LIBOR + 2.75%, 0.00% Floor | 5.05% | 07/30/24 | \$4,439,819 |
| | | | | 4,552,233 |
| 1,049,536 | Industrial Machinery – 0.3% Douglas Dynamics LLC, Term Loan B, 1 Mo. LIBOR + 3.00%, 1.00% Floor | 4.99% | 12/31/21 | 1,052,821 |
| 2,865,115 | Insurance Brokers – 4.6% Amwins Group, Term Loan B, 1 Mo. LIBOR + 2.75%, 1.00% Floor | 4.61%-4.73% | 01/25/24 | 2,866,462 |
| 6,588,494 | HUB International Ltd., Term Loan B, 2 Mo. LIBOR + 3.00%, 0.00% Floor | 5.36% | 04/25/25 | 6,574,790 |
| 2,100,298 | National Financial Partners Corp., Term Loan B, 1 Mo. LIBOR + 3.00%, 0.00% Floor | 4.98% | 01/06/24 | 2,097,673 |
| 5,799,680 | USI, Inc. (Compass Investors, Inc.), Term Loan B, 3 Mo. LIBOR + 3.00%, 0.00% Floor | 5.30% | 05/15/24 | 5,787,616 |
| | | | | 17,326,541 |
| 5,825,782 | Integrated Telecommunication Services – 2.0% Century Link (Qwest), Term Loan B, 1 Mo. LIBOR + 2.75%, 0.00% Floor | 4.73% | 01/31/25 | 5,750,047 |
| 1,739,429 | Numericable U.S. LLC (Altice France S.A.), Term Loan B12, 3 Mo. LIBOR + 3.00%, 0.00% Floor | 5.35% | 01/31/26 | 1,711,407 |
| 107,284 | Zayo Group LLC, Term Loan B2, 1 Mo. LIBOR + 2.25%, 1.00% Floor | 4.23% | 01/19/24 | 107,820 |
| | | | | 7,569,274 |
| 5,669,962 | Leisure Facilities – 2.3% ClubCorp Club Operations, Inc., Term Loan B, 2 Mo. LIBOR + 2.75%, 0.00% Floor | 4.89% | 09/18/24 | 5,654,030 |
| 2,526,994 | Planet Fitness Holdings LLC, Term Loan B, 1 Mo. LIBOR + 2.75%, 0.75% Floor | 4.73% | 03/31/21 | 2,540,690 |

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|-----------|---|-------|----------|------------|
| 590,262 | Planet Fitness Holdings LLC, Term Loan B, 3 Mo. LIBOR + 2.75%, 0.75% Floor | 5.05% | 03/31/21 | 593,461 |
| | | | | 8,788,181 |
| 2,144,991 | Life Sciences Tools & Services – 7.0% Immucor, Inc., Term Loan B First Lien, 3 Mo. LIBOR + 5.00%, 1.00% Floor | 7.30% | 06/15/21 | 2,179,846 |
| 7,375,565 | Ortho-Clinical Diagnostics, Inc. (Crimson Merger Sub, Inc.), Initial Term Loan, 1 Mo. LIBOR + 3.75%, 1.00% Floor | 5.73% | 06/30/21 | 7,377,409 |
| 6,945,084 | Parexel International Corp., Term Loan B, 1 Mo. LIBOR + 2.75%, 0.00% Floor | 4.73% | 09/27/24 | 6,934,250 |
| 2,028,543 | Pharmaceutical Product Development, Inc., Term Loan B, 1 Mo. LIBOR + 2.50%, 1.00% Floor | 4.48% | 08/18/22 | 2,026,514 |
| 2,235,684 | Pharmaceutical Product Development, Inc., Term Loan B, 3 Mo. LIBOR + 2.50%, 1.00% Floor | 4.80% | 08/18/22 | 2,233,449 |
| 5,537,778 | Sterigenics International (STHI Intermediate Holding Corp.), Term Loan B, 1 Mo. LIBOR + 3.00%, 1.00% Floor | 4.98% | 05/15/22 | 5,549,906 |
| | | | | 26,301,374 |
| 3,555,654 | Managed Health Care – 5.2% Davis Vision/Superior Vision (Wink Holdco), Term Loan B, 1 Mo. LIBOR + 3.00%, 1.00% Floor | 4.98% | 12/02/24 | 3,536,809 |

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Portfolio of Investments (Continued)

May 31, 2018

| Principal Value | Description | Rate (a) | Stated Maturity (b) | Value |
|--|--|-------------|---------------------|--------------|
| SENIOR FLOATING-RATE LOAN INTERESTS (c) (Continued) | | | | |
| Managed Health Care (Continued) | | | | |
| \$16,032,456 | MultiPlan, Inc. (MPH Acquisition Holdings LLC), Term Loan B, 3 Mo. LIBOR + 2.75%, 1.00% Floor | 5.05% | 06/07/23 | \$16,054,581 |
| | | | | 19,591,390 |
| 1,900,029 | Metal & Glass Containers – 0.6% Berlin Packaging LLC, Term Loan B, 1 Mo. LIBOR + 3.00%, 0.00% Floor | 4.92%-4.98% | 11/07/25 | 1,901,606 |
| 198,600 | Crown Holdings, Term Loan B, 3 Mo. LIBOR + 2.00%, 0.00% Floor | 4.31% | 04/03/25 | 199,655 |
| | | | | 2,101,261 |
| 381,833 | Movies & Entertainment – 1.0% AMC Entertainment, Inc., 2016 Incremental Term Loan, 1 Mo. LIBOR + 2.25%, 0.00% Floor | 4.17% | 12/15/23 | 382,429 |
| 276,250 | AMC Entertainment, Inc., Initial Term Loan, 1 Mo. LIBOR + 2.25%, 0.00% Floor | 4.17% | 12/15/22 | 276,664 |
| 1,935,000 | Cineworld Group PLC (Crown), Term Loan B, 1 Mo. LIBOR + 2.50%, 0.00% Floor | 4.48% | 02/05/25 | 1,926,544 |
| 987,525 | Creative Artists Agency LLC (CAA Holdings LLC), Term Loan B, 1 Mo. LIBOR + 3.00%, 0.00% Floor | 4.92% | 02/15/24 | 991,643 |
| | | | | 3,577,280 |
| 166,667 | Oil & Gas Exploration & Production – 0.0% Ascent Resources - Marcellus, LLC, EXIT Term Loan B, 1 Mo. LIBOR + 6.50%, 1.00% Floor (g) | 8.41% | 03/30/23 | 166,667 |
| 12,424,120 | Other Diversified Financial Services – 7.0% AlixPartners, Term Loan B, 3 Mo. LIBOR + 2.75%, 0.00% Floor | 5.05% | 04/04/24 | 12,447,478 |
| 6,249,242 | Duff & Phelps Corp., Term Loan B, 3 Mo. LIBOR + 3.25%, 1.00% Floor | 5.55% | 02/13/25 | 6,241,430 |
| 3,863,684 | First Data Corp., Term Loan B, 1 Mo. LIBOR + 2.00%, 0.00% Floor | 3.97% | 04/26/24 | 3,860,941 |

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| | | | | |
|------------|---|-------|----------|------------|
| 725,473 | iPayment, Inc., Term Loan, 1 Mo. LIBOR + 5.00%, 1.00% Floor | 6.94% | 04/11/23 | 726,380 |
| 3,144,000 | Wex, Inc., Term Loan B, 1 Mo. LIBOR + 2.25%, 0.00% Floor | 4.23% | 07/01/23 | 3,152,363 |
| | | | | 26,428,592 |
| 9,139,780 | Packaged Foods & Meats – 3.4% Hostess Brands LLC, Term Loan B, 1 Mo. LIBOR + 2.25%, 0.75% Floor | 4.23% | 08/03/22 | 9,162,629 |
| 3,427,495 | Post Holdings, Inc., Term Loan B, 1 Mo. LIBOR + 2.00%, 0.00% Floor | 3.97% | 05/24/24 | 3,428,112 |
| | | | | 12,590,741 |
| 13,197,189 | Paper Packaging – 3.5% Reynolds Group Holdings, Inc., Term Loan B, 1 Mo. LIBOR + 2.75%, 0.00% Floor | 4.73% | 02/05/23 | 13,219,228 |
| 1,682,692 | Pharmaceuticals – 9.8% Akorn, Inc., Loan, 1 Mo. LIBOR + 4.25%, 1.00% Floor | 6.25% | 04/16/21 | 1,636,418 |
| 1,953,062 | Catalent Pharma Solutions, Inc., Term Loan B, 1 Mo. LIBOR + 2.25%, 1.00% Floor | 4.23% | 05/20/24 | 1,959,702 |
| 5,182,926 | Concordia Healthcare Corp., Initial Dollar Term Loan, 1 Mo. LIBOR + 4.25%, 1.00% Floor (f) | 6.23% | 10/21/21 | 4,663,183 |
| 7,289,462 | Endo LLC, Term Loan B, 1 Mo. LIBOR + 4.25%, 0.75% Floor | 6.25% | 04/29/24 | 7,204,831 |
| 1,496,222 | Grifols Worldwide Operations Limited, Term Loan B, 1 Mo. LIBOR + 2.25%, 0.00% Floor | 4.00% | 01/31/25 | 1,500,366 |

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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments (Continued)

May 31, 2018

| Principal Value | Description | Rate (a) | Stated Maturity (b) | Value |
|--|---|----------|---------------------|-------------|
| SENIOR FLOATING-RATE LOAN INTERESTS (c) (Continued) | | | | |
| Pharmaceuticals (Continued) | | | | |
| \$5,240,323 | Horizon Pharma, Inc., Term Loan B, 1 Mo. LIBOR + 3.25%, 1.00% Floor | 5.25% | 03/29/24 | \$5,249,441 |
| 970,874 | Mallinckrodt International Finance S.A., 2018 Incremental Term Loan, 6 Mo. LIBOR + 3.00%, 0.75% Floor | 5.52% | 02/24/25 | 945,388 |
| 970,874 | Mallinckrodt International Finance S.A., Term Loan B, 6 Mo. LIBOR + 2.75%, 0.75% Floor | 5.20% | 09/24/24 | 941,748 |
| 12,471,436 | Valeant Pharmaceuticals International, Inc., Term Loan B, 1 Mo. LIBOR + 3.00%, 0.00% Floor | 4.98% | 06/01/25 | 12,491,765 |
| | | | | 36,592,842 |
| 4,970,864 | Research & Consulting Services – 4.4% Acosta, Inc., Term Loan B, 1 Mo. LIBOR + 3.25%, 1.00% Floor | 5.23% | 09/26/21 | 3,933,743 |
| 7,647,321 | Advantage Sales & Marketing, Inc., Initial Term Loan (First Lien), 1 Mo. LIBOR + 3.25%, 1.00% Floor | 5.23% | 07/23/21 | 7,268,779 |
| 801,980 | Advantage Sales & Marketing, Inc., Term Loan B2, 1 Mo. LIBOR + 3.25%, 1.00% Floor | 5.23% | 07/23/21 | 763,485 |
| 4,603,500 | Information Resources, Inc., Term Loan B, 3 Mo. LIBOR + 4.25%, 1.00% Floor | 6.57% | 01/18/24 | 4,623,663 |
| | | | | 16,589,670 |
| 175,200 | Restaurants – 4.3% IRB Holding Corp. (Arby's), Term Loan B, 1 Mo. LIBOR + 3.25%, 1.00% Floor | 5.17% | 01/18/25 | 175,769 |
| 219,000 | IRB Holding Corp. (Arby's), Term Loan B, 2 Mo. LIBOR + 3.25%, 1.00% Floor | 5.25% | 01/18/25 | 219,712 |
| 8,341,454 | Portillo's Holdings LLC, Second Lien Term Loan, 3 Mo. LIBOR + 8.00%, 1.00% Floor | 10.30% | 08/15/22 | 8,341,454 |
| 7,463,811 | Portillo's Holdings LLC, Term B Loan (First Lien), 3 Mo. LIBOR + 4.50%, 1.00% Floor | 6.80% | 08/02/21 | 7,449,854 |
| | | | | 16,186,789 |

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| | | | | | |
|-----------|--|-------|----------|-----------|-----------|
| | Security & Alarm Services – 0.3% | | | | |
| 1,191,028 | Garda World Security Corp., Term Loan B, 3 Mo. LIBOR + 3.50%, 1.00% Floor | 5.51% | 05/26/24 | 1,197,352 | |
| | Semiconductors – 1.0% | | | | |
| 2,246,400 | Microchip Technology, Initial Term Loan, 1 Mo. LIBOR + 2.00%, 0.00% Floor | 3.97% | 05/29/25 | 2,258,194 | |
| | Western Digital Corp., Term Loan B, 2 Mo. LIBOR + 1.75%, 0.00% Floor | | | | |
| 1,669,540 | | 3.71% | 04/29/23 | 1,672,328 | |
| | | | | | 3,930,522 |
| | Specialized Consumer Services – 1.5% | | | | |
| 500,000 | Asurion LLC, Term Loan (Second Lien), 1 Mo. LIBOR + 6.00%, 0.00% Floor | 7.98% | 07/31/25 | 511,750 | |
| | Asurion LLC, Term Loan B4, 1 Mo. LIBOR + 2.75%, 1.00% Floor | | | | |
| 1,377,671 | | 4.73% | 08/04/22 | 1,382,149 | |
| | Asurion LLC, Term Loan B6, 1 Mo. LIBOR + 2.75%, 0.00% Floor | | | | |
| 3,679,523 | | 4.73% | 11/03/23 | 3,693,321 | |
| | | | | | 5,587,220 |
| | Specialized Finance – 0.1% | | | | |
| 280,500 | Alliant Holdings I, LLC, Term Loan B, 1 Mo. LIBOR + 3.00%, 0.00% Floor | 4.93% | 05/09/25 | 280,149 | |
| | Specialty Chemicals – 1.7% | | | | |
| 5,162,659 | H.B. Fuller, Term Loan B, 1 Mo. LIBOR + 2.00%, 0.00% Floor | 3.95% | 10/20/24 | 5,164,104 | |

See Notes to Financial Statements

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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments (Continued)

May 31, 2018

| Principal Value | Description | Rate (a) | Stated Maturity (b) | Value |
|--|--|----------|---------------------|-------------|
| SENIOR FLOATING-RATE LOAN INTERESTS (c) (Continued) | | | | |
| Specialty Chemicals (Continued) | | | | |
| \$1,082,905 | Platform Specialty Products Corp. (fka: Macdermid, Inc.), Term Loan B6, 1 Mo. LIBOR + 3.00%, 1.00% Floor | 4.98% | 06/07/23 | \$1,086,067 |
| | | | | 6,250,171 |
| 305,550 | Specialty Stores – 0.8% Party City Holdings, Inc., Term Loan B, 1 Mo. LIBOR + 2.75%, 0.75% Floor | 4.74% | 08/19/22 | 306,696 |
| 298,491 | Party City Holdings, Inc., Term Loan B, 2 Mo. LIBOR + 2.75%, 0.75% Floor | 4.81% | 08/19/22 | 299,611 |
| 297,551 | Party City Holdings, Inc., Term Loan B, 6 Mo. LIBOR + 2.75%, 0.75% Floor | 5.28% | 08/19/22 | 298,667 |
| 2,811,036 | Toys "R" US-Delaware, Inc., Term B-2 Loan, Prime Rate + 2.75%, 1.50% Floor (f) (h) | 7.50% | 05/25/18 | 1,076,627 |
| 1,991,346 | Toys "R" US-Delaware, Inc., Term B-4 Loan, Prime Rate + 7.75%, 1.00% Floor (f) (h) | 12.25% | 04/25/20 | 866,235 |
| | | | | 2,847,836 |
| 743,464 | Systems Software – 10.2% Applied Systems, Inc., 1st Lien Term Loan, 3 Mo. LIBOR + 3.00%, 1.00% Floor | 5.30% | 09/13/24 | 748,230 |
| 511,161 | Applied Systems, Inc., 2nd Lien Term Loan, 3 Mo. LIBOR + 7.00%, 1.00% Floor | 9.30% | 09/13/25 | 528,095 |
| 1,222,656 | Avast Software B.V. (Sybil Software LLC), Term Loan B, 1 Mo. LIBOR + 2.50%, 1.00% Floor | 4.49% | 09/30/23 | 1,227,413 |
| 14,512,065 | BMC Software Finance, Inc., Term Loan B, 1 Mo. LIBOR + 3.25%, 0.00% Floor | 5.23% | 09/10/22 | 14,524,690 |
| 7,096,469 | Compuware Corp., Term Loan B3, 1 Mo. LIBOR + 3.50%, 1.00% Floor | 5.48% | 12/15/21 | 7,148,274 |
| 3,836,180 | Misys Financial Software Ltd. (Almonde, Inc.), Term Loan B, 3 Mo. LIBOR + 3.50%, 1.00% Floor | 5.81% | 06/13/24 | 3,772,883 |

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| | | | | |
|------------|---|-------|----------|-------------|
| 2,010,793 | Riverbed Technology, Inc., Term Loan B, 1 Mo. LIBOR + 3.25%, 1.00% Floor | 5.24% | 04/24/22 | 1,993,198 |
| 3,165,218 | SS&C European Holdings, S.a.r.l, Term Loan B3, 1 Mo. LIBOR + 2.50%, 0.00% Floor | 4.48% | 04/16/25 | 3,181,044 |
| 1,185,058 | SS&C European Holdings, S.a.r.l, Term Loan B4, 1 Mo. LIBOR + 2.50%, 0.00% Floor | 4.48% | 04/16/25 | 1,190,983 |
| 4,053,316 | Vertafore, Inc., Term Loan B, 1 Mo. LIBOR + 3.25%, 1.00% Floor | 5.23% | 06/30/23 | 4,054,573 |
| | | | | 38,369,383 |
| 12,622,113 | Technology Hardware, Storage & Peripherals – 3.4% Dell, Inc. (Diamond 1 Finance Corp.), Term Loan B, 1 Mo. LIBOR + 2.00%, 0.75% Floor | 3.99% | 09/07/23 | 12,606,336 |
| 1,888,000 | Wireless Telecommunication Services – 0.5% SBA Senior Finance II LLC, Term Loan B, 1 Mo. LIBOR + 2.00%, 0.00% Floor | 3.99% | 04/11/25 | 1,884,847 |
| | Total Senior Floating-Rate Loan Interests | | | 517,003,627 |

(Cost \$522,540,837)

| Principal Value | Description | Stated Coupon | Stated Maturity | Value |
|-----------------|---|---------------|-----------------|---------|
| | CORPORATE BONDS AND NOTES (c) – 3.5% | | | |
| 1,022,000 | Cable & Satellite – 0.5% Altice US Finance I Corp. (i) | 5.50% | 05/15/26 | 983,982 |

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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments (Continued)

May 31, 2018

| Principal Value | Description | Stated Coupon | Stated Maturity | Value |
|---|--|---------------|-----------------|-------------------|
| CORPORATE BONDS AND NOTES (c) (Continued) | | | | |
| Cable & Satellite (Continued) | | | | |
| \$1,000,000 | CCO Holdings LLC/CCO Holdings Capital Corp. | 5.75% | 01/15/24 | \$1,005,000 |
| | | | | 1,988,982 |
| Health Care Facilities – 2.7% | | | | |
| 1,000,000 | Select Medical Corp. | 6.38% | 06/01/21 | 1,017,500 |
| 800,000 | Tenet Healthcare Corp. | 6.00% | 10/01/20 | 829,000 |
| 5,776,000 | Tenet Healthcare Corp. (i) | 7.50% | 01/01/22 | 6,073,175 |
| 2,136,000 | Tenet Healthcare Corp. | 8.13% | 04/01/22 | 2,242,800 |
| | | | | 10,162,475 |
| Life Sciences Tools & Services – 0.3% | | | | |
| 894,000 | Ortho-Clinical Diagnostics, Inc./Ortho-Clinical Diagnostics S.A. (i) | 6.63% | 05/15/22 | 887,894 |
| | Total Corporate Bonds and Notes | | | 13,039,351 |
| | (Cost \$13,032,550) | | | |
| FOREIGN CORPORATE BONDS AND NOTES (c) – 0.3% | | | | |
| Pharmaceuticals – 0.3% | | | | |
| 774,000 | Valeant Pharmaceuticals International, Inc. (i) | 6.75% | 08/15/21 | 782,456 |
| 500,000 | Valeant Pharmaceuticals International, Inc. (i) | 5.50% | 11/01/25 | 492,500 |
| | Total Foreign Corporate Bonds and Notes | | | 1,274,956 |
| | (Cost \$1,278,165) | | | |
| Shares | Description | | | Value |
| COMMON STOCKS (c) – 0.9% | | | | |
| Commodity Chemicals – 0.0% | | | | |
| 20 | LyondellBasell Industries N.V., Class A | | | 2,242 |
| Electric Utilities – 0.7% | | | | |
| 106,607 | Vistra Energy Corp. (j) | | | 2,615,070 |
| Oil & Gas Exploration & Production – 0.2% | | | | |
| 119,734 | American Energy Marcellus, Class A (g) (j) (k) | | | 396,140 |
| 3,699 | Fieldwood Energy Equity (j) (k) (l) | | | 168,304 |

| | | |
|---------|--|-----------|
| | | 564,444 |
| | Total Common Stocks | 3,181,756 |
| | (Cost \$3,031,424) | |
| | RIGHTS (c) – 0.0% | |
| | Electric Utilities – 0.0% | |
| 106,607 | Vistra Energy Corp. (j) | 58,634 |
| 175,375 | Vistra Energy Corp. Claim (j) (m) (n) | 0 |
| | | 58,634 |
| | Life Sciences Tools & Services – 0.0% | |
| 1 | New Millennium Holdco, Inc., Corporate Claim Trust (j) (m) (n) (o) | 0 |
| 1 | New Millennium Holdco, Inc., Lender Claim Trust (j) (m) (n) (o) | 0 |
| | | 0 |
| | Total Rights | 58,634 |
| | (Cost \$178,763) | |
| | WARRANTS (c) – 0.0% | |
| | Oil & Gas Exploration & Production – 0.0% | |
| 31,000 | American Energy Marcellus First Lien Warrants (g) (j) | 2,015 |

(Cost \$3,100)

See Notes to Financial Statements

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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments (Continued)

May 31, 2018

| Shares | Description | Value |
|-----------|---|---------------|
| | MONEY MARKET FUNDS (c) – 2.1% | |
| 8,000,000 | 1.61% (p) Morgan Stanley Institutional Liquidity Fund - Treasury Portfolio - Institutional Class - | \$8,000,000 |
| | (Cost \$8,000,000) | |
| | Total Investments – 144.7% | 542,560,339 |
| | (Cost \$548,064,839) (q) | |
| | Outstanding Loans – (41.3)% | (155,000,000) |
| | Net Other Assets and Liabilities – (3.4)% | (12,545,033) |
| | Net Assets – 100.0% | \$375,015,306 |

- 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 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.
- (a) 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.
- (b) All of these securities are available to serve as collateral for the outstanding loans.
- (c) Delayed Draw Term Loan (See Note 2C - Unfunded Loan Commitments in the Notes to Financial Statements).
- (d) Represents commitment fee rate on unfunded loan commitment. The commitment fee rate steps up at predetermined time intervals.
- (e) This issuer has filed for protection in federal bankruptcy court.
- (f) On March 30, 2018, American Energy Marcellus Holdings LLC, also known as Ascent Resources - Marcellus LLC, completed a Bankruptcy Plan of Reorganization. In connection 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. The Fund also received equity warrants entitling it to purchase additional common equity shares.
- (g) This issuer is in default and interest is not being accrued by the Fund nor paid by the issuer. 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 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 May 31, 2018, securities noted as such amounted to \$9,220,007 or 2.5% of net assets.
- (h) Non-income producing security.
- (i)
- (j)
- (k)

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 May 31, 2018, securities noted as such amounted to \$564,444 or 0.2% of net assets.

On April 11, 2018, Fieldwood Energy, LLC completed a Bankruptcy Plan of Reorganization. In connection with (l) the Plan of Reorganization, the Fund received a pro rata share of the newly issued common equity shares in the re-organized company.

This security is fair valued by the Advisor's Pricing Committee in accordance with procedures adopted by the (m) Fund's Board of Trustees, and in accordance with the provisions of the Investment Company Act of 1940, as amended. At May 31, 2018, securities noted as such are valued at \$0 or 0.0% of net assets.

(n) This security's value was determined using significant unobservable inputs (see Note 2A – Portfolio Valuation in the Notes to Financial Statements).

(o) Pursuant to procedures adopted by the Fund's Board of Trustees, this security has been determined to be illiquid by the Advisor.

(p) Rate shown reflects yield as of May 31, 2018.

(q) Aggregate cost for federal income tax purposes was \$548,121,334. As of May 31, 2018, the aggregate gross unrealized appreciation for all investments in which there was an excess of value over tax cost was \$2,014,481 and the aggregate gross unrealized depreciation for all investments in which there was an excess of tax cost over value was \$7,575,476. The net unrealized depreciation was \$5,560,995.

LIBOR London Interbank Offered Rate

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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments (Continued)

May 31, 2018

Valuation Inputs

A summary of the inputs used to value the Fund's investments as of May 31, 2018 is as follows (see Note 2A - Portfolio Valuation in the Notes to Financial Statements):

| | Total Value at 5/31/2018 | Level 1 Quoted Prices | Level 2 Significant Observable Inputs | Level 3 Significant Unobservable Inputs |
|--------------------------------------|--------------------------------|-----------------------------|--|--|
| Senior Floating-Rate Loan Interests* | \$ 517,003,627 | — | \$ 517,003,627 | — |
| Corporate Bonds and Notes* | 13,039,351 | — | 13,039,351 | — |
| Foreign Corporate Bonds and Notes* | 1,274,956 | — | 1,274,956 | — |
| Common Stocks: | | | | |
| Oil & Gas Exploration & Production | 564,444 | — | 564,444 | — |
| Other industry categories* | 2,617,312 | 2,617,312 | — | — |
| Rights: | | | | |
| Electric Utilities | 58,634 | — | 58,634 | —** |
| Life Sciences Tools & Services | —** | — | — | —** |
| Warrants* | 2,015 | — | 2,015 | — |
| Money Market Funds | 8,000,000 | 8,000,000 | — | — |
| Total Investments | \$ 542,560,337 | \$ 10,617,312 | \$ 531,943,027 | —** |

* See Portfolio of Investments for industry breakout.

** Investment is valued at \$0.

All transfers in and out of the Levels during the period are assumed to occur on the last day of the period at their current value. There were no transfers between Levels at May 31, 2018.

Level 3 Rights that are fair valued by the Advisor's Pricing Committee are footnoted in the Portfolio of Investments. The Level 3 Rights values are based on unobservable and non-quantitative inputs. The Fund's Board of Trustees has adopted valuation procedures that are utilized by the Advisor's Pricing Committee to oversee the day-to-day valuation of the Fund's investments. The Advisor's Pricing Committee, through the Fund's fund accounting agent, monitors the daily pricing via tolerance checks and stale and unchanged price reviews. The Advisor's Pricing Committee also reviews monthly back testing of third-party pricing service prices by comparing sales prices of the Fund's investments to prior day third-party pricing service prices. Additionally, the Advisor's Pricing Committee reviews periodic information from the Fund's third-party pricing service that compares secondary market trade prices to their daily valuations.

See Notes to Financial Statements

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First Trust Senior Floating Rate Income Fund II (FCT)

Portfolio of Investments (Continued)

May 31, 2018

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

Beginning Balance at May 31, 2017

Senior Floating-Rate Loan Interests \$90,379

Rights —**

Net Realized Gain (Loss)

Senior Floating-Rate Loan Interests (19,479)

Rights —

Net Change in Unrealized Appreciation/Depreciation

Senior Floating-Rate Loan Interests 104,498

Rights —

Purchases

Senior Floating-Rate Loan Interests —

Rights —

Sales

Senior Floating-Rate Loan Interests (175,398)

Rights —

Transfers In

Senior Floating-Rate Loan Interests —

Rights —

Transfers Out

Senior Floating-Rate Loan Interests —

Rights —

Ending Balance at May 31, 2018

Senior Floating-Rate Loan Interests —

Rights —**

Total Level 3 holdings \$—**

** Investment is valued at \$0.

There was no net change in unrealized appreciation (depreciation) from Level 3 investments held as of May 31, 2018.

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First Trust Senior Floating Rate Income Fund II (FCT)

Statement of Assets and Liabilities

May 31, 2018

ASSETS:

Investments, at value

| | |
|----------------------|----------------|
| (Cost \$548,064,839) | \$ 542,560,339 |
|----------------------|----------------|

| | |
|------|---------|
| Cash | 427,171 |
|------|---------|

| | |
|----------------------------|------------|
| Receivables: | |
| Investment securities sold | 18,622,202 |

| | |
|----------|-----------|
| Interest | 1,988,821 |
|----------|-----------|

| | |
|------------------|-------|
| Prepaid expenses | 3,043 |
|------------------|-------|

| | |
|--------------|-------------|
| Total Assets | 563,601,576 |
|--------------|-------------|

LIABILITIES:

| | |
|-------------------|-------------|
| Outstanding loans | 155,000,000 |
|-------------------|-------------|

| | |
|---------------------------------|------------|
| Payables: | |
| Investment securities purchased | 32,177,357 |

| | |
|---------------------------|---------|
| Unfunded loan commitments | 635,808 |
|---------------------------|---------|

| | |
|--------------------------|---------|
| Investment advisory fees | 334,718 |
|--------------------------|---------|

| | |
|----------------------------|---------|
| Interest and fees on loans | 181,135 |
|----------------------------|---------|

| | |
|---------------------|---------|
| Administrative fees | 108,278 |
|---------------------|---------|

| | |
|--------------------|--------|
| Audit and tax fees | 66,650 |
|--------------------|--------|

| | |
|------------|--------|
| Legal fees | 33,336 |
|------------|--------|

| | |
|---------------|--------|
| Printing fees | 28,112 |
|---------------|--------|

| | |
|----------------|--------|
| Custodian fees | 11,897 |
|----------------|--------|

| | |
|-----------------------------|-------|
| Trustees' fees and expenses | 2,714 |
|-----------------------------|-------|

| | |
|---------------------|-------|
| Transfer agent fees | 2,050 |
|---------------------|-------|

| | |
|--------------------------|-----|
| Financial reporting fees | 770 |
|--------------------------|-----|

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| | |
|---|----------------|
| Other liabilities | 3,445 |
| <hr/> | |
| Total Liabilities | 188,586,270 |
| <hr/> | |
| NET ASSETS | \$375,015,306 |
| <hr/> | |
| NET ASSETS consist of: | |
| Paid-in capital | \$ 403,582,854 |
| <hr/> | |
| Par value | 266,970 |
| <hr/> | |
| Accumulated net investment income (loss) | 92,009 |
| <hr/> | |
| Accumulated net realized gain (loss) on investments | (23,422,027) |
| <hr/> | |
| Net unrealized appreciation (depreciation) on investments | (5,504,500) |
| <hr/> | |
| NET ASSETS | \$375,015,306 |
| <hr/> | |
| NET ASSET VALUE, per Common Share (par value \$0.01 per Common Share) | \$14.05 |
| <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 Year Ended May 31, 2018

INVESTMENT

INCOME:

| | |
|----------|---------------|
| Interest | \$ 26,306,037 |
|----------|---------------|

| | |
|-----------|----|
| Dividends | 74 |
|-----------|----|

| | |
|-------|---------|
| Other | 472,674 |
|-------|---------|

| | |
|-------------------------|------------|
| Total investment income | 26,778,785 |
|-------------------------|------------|

EXPENSES:

| | |
|--------------------------|-----------|
| Investment advisory fees | 3,934,418 |
|--------------------------|-----------|

| | |
|----------------------------|-----------|
| Interest and fees on loans | 3,415,428 |
|----------------------------|-----------|

| | |
|---------------------|---------|
| Administrative fees | 350,787 |
|---------------------|---------|

| | |
|------------|---------|
| Legal fees | 106,705 |
|------------|---------|

| | |
|---------------|--------|
| Printing fees | 98,665 |
|---------------|--------|

| | |
|----------------|--------|
| Custodian fees | 75,686 |
|----------------|--------|

| | |
|--------------------|--------|
| Audit and tax fees | 56,085 |
|--------------------|--------|

| | |
|---------------------|--------|
| Transfer agent fees | 27,593 |
|---------------------|--------|

| | |
|-----------------|--------|
| Listing expense | 23,327 |
|-----------------|--------|

| | |
|-----------------------------|--------|
| Trustees' fees and expenses | 16,655 |
|-----------------------------|--------|

| | |
|--------------------------|-------|
| Financial reporting fees | 9,250 |
|--------------------------|-------|

| | |
|-------|--------|
| Other | 49,152 |
|-------|--------|

Total expenses 8,163,751

NET
INVESTMENT
INCOME 18,615,034
(LOSS)

NET
REALIZED
AND
UNREALIZED
GAIN (LOSS):
Net realized
gain (loss) on
investments (4,502,205)

Net change in
unrealized
appreciation
(depreciation) (52,148)
on investments

NET
REALIZED
AND
UNREALIZED (4,554,353)
GAIN (LOSS)

NET
INCREASE
(DECREASE)
IN NET
ASSETS \$ 14,060,681
RESULTING
FROM
OPERATIONS

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First Trust Senior Floating Rate Income Fund II (FCT)

Statements of Changes in Net Assets

| | Year Ended 5/31/2018 | Year Ended 5/31/2017 |
|---|----------------------------|----------------------------|
| OPERATIONS: | | |
| Net investment income (loss) | \$ 18,615,034 | \$ 20,738,542 |
| Net realized gain (loss) | (4,502,205) | (3,792,004) |
| Net change in unrealized appreciation (depreciation) | (52,148) | 11,725,535 |
| Net increase (decrease) in net assets resulting from operations | 14,060,681 | 28,672,073 |
| DISTRIBUTIONS TO SHAREHOLDERS FROM: | | |
| Net investment income | (18,612,204) | (20,842,660) |
| Return of capital | (1,730,896) | (1,217,056) |
| Total distributions to shareholders | (20,343,100) | (22,059,716) |
| Total increase (decrease) in net assets | (6,282,419) | 6,612,357 |
| NET ASSETS: | | |
| Beginning of period | 381,297,725 | 374,685,368 |
| End of period | \$ 375,015,306 | \$ 381,297,725 |
| Accumulated net investment income (loss) at end of period | \$92,009 | \$(151,020) |
| 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 Year Ended May 31, 2018

Cash flows from operating activities:

| | |
|--|---------------|
| Net increase (decrease) in net assets resulting from operations | \$14,060,681 |
| Adjustments to reconcile net increase (decrease) in net assets resulting from operations to net cash provided by operating activities: | |
| Purchases of investments | (715,082,485) |
| Sales, maturities and paydown of investments | 708,582,868 |
| Net amortization/accretion of premiums/discounts on investments | (415,572) |
| Net realized gain/loss on investments | 4,502,205 |
| Net change in unrealized appreciation/depreciation on investments | 52,148 |
| Changes in assets and liabilities: | |
| Decrease in interest receivable | 11,139 |
| Decrease in prepaid expenses | 18,353 |
| Decrease in interest and fees payable on loans | (74,813) |
| Decrease in investment advisory fees payable | (3,541) |
| Decrease in audit and tax fees payable | (8,550) |
| Decrease in legal fees payable | (14,563) |
| Increase in printing fees payable | 775 |
| Decrease in administrative fees payable | (2,348) |
| Decrease in custodian fees payable | (7,740) |
| Decrease in transfer agent fees payable | (14,853) |
| Decrease in Trustees' fees and expenses payable | (160) |
| Decrease in financial reporting fees payable | (1) |
| Increase in other liabilities payable | 238 |
| Cash provided by operating activities | \$11,603,781 |

Cash flows from financing activities:

| | |
|---|---------------|
| Distributions to Common Shareholders from net investment income | (18,612,204) |
| Distributions to Common Shareholders from return of capital | (1,730,896) |
| Repayment of borrowings | (123,000,000) |
| Proceeds from borrowings | 132,000,000 |
| Cash used in financing activities | (11,343,100) |
| Increase in cash | 260,681 |
| Cash at beginning of period | 166,490 |
| Cash at end of period | \$427,171 |
| Supplemental disclosure of cash flow information: | |
| Cash paid during the period for interest and fees | \$3,490,241 |

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See Notes to Financial Statements

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First Trust Senior Floating Rate Income Fund II (FCT)

Financial Highlights

For a Common Share outstanding throughout each period

| | Year Ended May 31, | | | | |
|--|--------------------|------------|------------|------------|------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Net asset value, beginning of period | \$ 14.28 | \$ 14.03 | \$ 14.71 | \$ 14.95 | \$ 15.14 |
| Income from investment operations: | | | | | |
| Net investment income (loss) | 0.70 | 0.78 | 0.83 | 0.87 | 0.84 |
| Net realized and unrealized gain (loss) | (0.17) | 0.30 | (0.63) | (0.27) | (0.08) |
| Total from investment operations | 0.53 | 1.08 | 0.20 | 0.60 | 0.76 |
| Distributions paid to shareholders from: | | | | | |
| Net investment income | (0.70) | (0.78) | (0.88) | (0.84) | (0.95) |
| Return of capital | (0.06) | (0.05) | — | — | — |
| Total distributions paid to Common Shareholders | (0.76) | (0.83) | (0.88) | (0.84) | (0.95) |
| Premiums from shares sold in at the market offering | — | — | — | — | 0.00 (a) |
| Net asset value, end of period | \$14.05 | \$14.28 | \$14.03 | \$14.71 | \$14.95 |
| Market value, end of period | \$12.99 | \$13.62 | \$13.05 | \$13.77 | \$14.00 |
| Total return based on net asset value (b) | 4.24% | 7.99% | 2.36% | 4.68% | 5.35% |
| Total return based on market value (b) | 1.05% | 10.89% | 1.56% | 4.64% | (2.82)% |
| Ratios to average net assets/supplemental data: | | | | | |
| Net assets, end of period (in 000's) | \$ 375,015 | \$ 381,298 | \$ 374,685 | \$ 392,699 | \$ 399,021 |
| Ratio of total expenses to average net assets | 2.17% | 2.06% | 1.79% | 1.69% | 1.80% |
| Ratio of total expenses to average net assets excluding interest expense | 1.26% | 1.33% | 1.27% | 1.28% | 1.36% |
| Ratio of net investment income (loss) to average net assets | 4.94% | 5.47% | 5.98% | 5.96% | 5.60% |
| Portfolio turnover rate | 101% | 116% | (c)43% | 63% | 90% |
| Indebtedness: | | | | | |
| Total loans outstanding (in 000's) | \$ 155,000 | \$ 146,000 | \$ 137,000 | \$ 159,000 | \$ 174,000 |
| Asset coverage per \$1,000 of indebtedness (d) | \$ 3,419 | \$ 3,612 | \$ 3,735 | \$ 3,470 | \$ 3,293 |

(a) Amount represents less than \$0.01 per share.

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 net asset value per share for net asset

(b) value 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.

(c) The variation in portfolio turnover rate is due to a significant increase in the refinancing of the Senior Floating-Rate Loan Interests held by the Fund during the year ended May 31, 2017.

(d) Calculated by subtracting the Fund's total liabilities (not including the loan outstanding) from the Fund's total assets, and dividing by the outstanding loan balance in 000's.

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Notes to Financial Statements

First Trust Senior Floating Rate Income Fund II (FCT)

May 31, 2018

1. Organization

First Trust Senior Floating Rate Income Fund II (the “Fund”) is a diversified, closed-end management investment company organized as a Massachusetts business trust on March 25, 2004, and is registered with the Securities and Exchange Commission (“SEC”) under the Investment Company Act of 1940, as amended (the “1940 Act”). The Fund trades under the ticker symbol FCT on the New York Stock Exchange (“NYSE”).

The primary investment objective of 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^{ft}”). 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.

2. Significant Accounting Policies

The Fund is considered an investment company and follows accounting and reporting guidance under Financial Accounting Standards Board (“FASB”) Accounting Standards Codification Topic 946, “Financial Services-Investment Companies.” The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of the financial statements. The preparation of the financial statements in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

A. Portfolio Valuation

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

The Fund’s investments are valued daily at market value or, in the absence of market value with respect to any portfolio securities, at fair value. Market value prices represent last sale or official closing prices from a national or foreign exchange (i.e., a regulated market) and are primarily obtained from third-party pricing services. Fair value prices represent any prices not considered market value prices and are either obtained from a third-party pricing service or are determined by the Pricing Committee of the Fund’s investment advisor, First Trust Advisors L.P. (“First Trust” or the “Advisor”), in accordance with valuation procedures adopted by the Fund’s Board of Trustees, and in accordance with provisions of the 1940 Act. Investments valued by the Advisor’s Pricing Committee, if any, are footnoted as such in the footnotes to the Portfolio of Investments. The Fund’s investments are valued as follows: Senior Loans are not listed on any securities exchange or board of trade. Senior Loans are typically bought and sold by institutional investors in individually negotiated private transactions that function in many respects like an over-the-counter secondary market, although typically no formal market-makers exist. This market, while having grown substantially since its inception, generally has fewer trades and less liquidity than the secondary market for other types of securities. Some Senior Loans have few or no trades, or trade infrequently, and information regarding a specific Senior Loan may not be widely available or may be incomplete. Accordingly, determinations of the market value of Senior Loans may be based on infrequent and dated information. Because there is less reliable, objective data available, elements of judgment may play a greater role in valuation of Senior Loans than for other types of securities. Typically, Senior Loans are fair valued using information provided by a third-party pricing service. The third-party pricing service primarily uses over-the-counter pricing from dealer runs and broker quotes from indicative sheets to

value the Senior Loans. If the third-party pricing service cannot or does not provide a valuation for a particular Senior Loan or such valuation is deemed unreliable, the Advisor's Pricing Committee may value such Senior Loan at a fair value according to procedures adopted by the Fund's Board of Trustees, and in accordance with the provisions of the 1940 Act. Fair valuation of a Senior Loan is based on the consideration of all available information, including, but not limited to the following:

- 1) the fundamental business data relating to the borrower/issuer;
 - 2) an evaluation of the forces which influence the market in which these securities are purchased and sold;
-

(1) The terms "security" and "securities" used throughout the Notes to Financial Statements include Senior Loans.

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Notes to Financial Statements (Continued)

First Trust Senior Floating Rate Income Fund II (FCT)

May 31, 2018

- 3) the type, size and cost of a security;
- 4) the financial statements of the borrower/issuer;
- 5) the credit quality and cash flow of the borrower/issuer, based on the Advisor's or external analysis;
- 6) the information as to any transactions in or offers for the security;
- 7) the price and extent of public trading in similar securities (or equity securities) of the issuer/borrower, or comparable companies;
- 8) the coupon payments;
- 9) the quality, value and salability of collateral, if any, securing the security;
- 10) the business prospects of the borrower/issuer, including any ability to obtain money or resources from a parent or affiliate and an assessment of the borrower's/issuer's management;
- 11) the prospects for the borrower's/issuer's industry, and multiples (of earnings and/or cash flows) being paid for similar businesses in that industry;
- 12) the borrower's/issuer's competitive position within the industry;
- 13) the borrower's/issuer's ability to access additional liquidity through public and/or private markets; and
- 14) other relevant factors.

Common stocks and other equity securities listed on any national or foreign exchange (excluding The Nasdaq Stock Market LLC ("Nasdaq") and the London Stock Exchange Alternative Investment Market ("AIM")) are valued at the last sale price on the exchange on which they are principally traded or, for Nasdaq and AIM securities, the official closing price. Securities traded on more than one securities exchange are valued at the last sale price or official closing price, as applicable, at the close of the securities exchange representing the principal market for such securities.

Shares of open-end funds are valued at fair value which is based on NAV per share.

Securities traded in an over-the-counter market are fair valued at the mean of their most recent bid and asked price, if available, and otherwise at their closing bid price.

Corporate bonds, corporate notes and other debt securities are fair valued on the basis of valuations provided by dealers who make markets in such securities or by a third-party pricing service approved by the Fund's Board of Trustees, which may use the following valuation inputs when available:

- 1) benchmark yields;
- 2) reported trades;
- 3) broker/dealer quotes;
- 4) issuer spreads;
- 5) benchmark securities;
- 6) bids and offers; and
- 7) reference data including market research publications.

Certain securities may not be able to be priced by pre-established pricing methods. Such securities may be valued by the Fund's Board of Trustees or its delegate, the Advisor's Pricing Committee, at fair value. These securities generally include, but are not limited to, restricted securities (securities which may not be publicly sold without registration under the Securities Act of 1933, as amended) for which a third-party pricing service is unable to provide a market price; securities whose trading has been formally suspended; a security whose market or fair value price is not available from a pre-established pricing source; a security with respect to which an event has occurred that is likely to materially affect the value of the security after the market has closed but before the calculation of the Fund's NAV or make it difficult or impossible to obtain a reliable market quotation; and a security whose price, as provided by the third-party pricing service, does not reflect the security's fair value. As a general principle, the current fair value of a security would appear to be the amount which the owner might reasonably expect to receive for the security upon its current sale. When fair value prices are used, generally they will differ from market quotations or official closing

prices on the applicable exchanges. A variety of factors may be considered in determining the fair value of such securities, including, but not limited to, the following:

- 1)the type of security;
- 2)the size of the holding;
- 3)the initial cost of the security;
- 4)transactions in comparable securities;
- 5)price quotes from dealers and/or third-party pricing services;
- 6)relationships among various securities;

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Notes to Financial Statements (Continued)

First Trust Senior Floating Rate Income Fund II (FCT)

May 31, 2018

- 7) information obtained by contacting the issuer, analysts, or the appropriate stock exchange;
- 8) an analysis of the issuer's financial statements; and
- 9) the existence of merger proposals or tender offers that might affect the value of the security.

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

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

The inputs or methodologies used for valuing investments are not necessarily an indication of the risk associated with investing in those investments. A summary of the inputs used to value the Fund's investments as of May 31, 2018, is included with the Fund's Portfolio of Investments.

B. Security Transactions and Investment Income

Security transactions are recorded as of the trade date. Realized gains and losses from securities transactions are recorded on the identified cost basis. Interest income is recorded on the accrual basis. Market premiums and discounts are amortized over the life of each respective borrowing.

Securities purchased or sold on a when-issued, delayed-delivery or forward purchase commitment basis may have extended settlement periods. The value of the security so purchased is subject to market fluctuations during this period. Due to the nature of the Senior Loan market, the actual settlement date may not be certain at the time of the purchase or sale for some of the Senior Loans. Interest income on such Senior Loans is not accrued until settlement date. The Fund maintains liquid assets with a current value at least equal to the amount of its when-issued, delayed-delivery or forward purchase commitments until payment is made. At May 31, 2018, the Fund had no when-issued, delayed-delivery or forward purchase commitments (other than unfunded commitments discussed below).

C. Unfunded Loan Commitments

The Fund may enter into certain credit agreements, all or a portion of which may be unfunded. The Fund is obligated to fund these loan commitments at the borrower's discretion. The Fund had unfunded delayed draw term loan commitments, which are marked to market daily, of \$635,808 as of May 31, 2018. In connection with these commitments, the Fund earns a commitment fee typically set as a percentage of the commitment amount.

D. Dividends and Distributions to Shareholders

The Fund will distribute to holders of its Common Shares monthly dividends of all or a portion of its net income after the payment of interest and dividends in connection with leverage, if any. Distributions of any net long-term capital

gains earned by the Fund are distributed at least annually. Distributions will automatically be reinvested into additional Common Shares pursuant to the Fund's Dividend Reinvestment Plan unless cash distributions are elected by the shareholder.

Distributions from net investment income and realized capital gains are determined in accordance with federal income tax regulations, which may differ from U.S. GAAP. Certain capital accounts in the financial statements are periodically adjusted for permanent differences in order to reflect their tax character. These permanent differences are primarily due to the varying treatment of income and gain/loss on portfolio securities held by the Fund and have no impact on net assets or NAV per share. Temporary differences, which arise from recognizing certain items of income, expense and gain/loss in different periods for financial statement and tax purposes,

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Notes to Financial Statements (Continued)

First Trust Senior Floating Rate Income Fund II (FCT)

May 31, 2018

will reverse at some point in the future. Permanent differences incurred during the fiscal year ended May 31, 2018, resulting in book and tax accounting differences, have been reclassified at year end to reflect an increase in accumulated net investment income (loss) by \$240,199, an increase in accumulated net realized gain (loss) on investments by \$68,031,574, and a decrease in Paid-in capital by \$68,271,773. Net assets were not affected by this reclassification.

The tax character of distributions paid by the Fund during the fiscal years ended May 31, 2018 and 2017, was as follows:

| Distributions paid from: | 2018 | 2017 |
|--------------------------|--------------|--------------|
| Ordinary income | \$18,612,204 | \$20,842,660 |
| Capital gains | — | — |
| Return of capital | 1,730,896 | 1,217,056 |

As of May 31, 2018, the components of distributable earnings and net assets on a tax basis were as follows:

| | |
|--|---------------|
| Undistributed ordinary income | \$— |
| Undistributed capital gains | — |
| Total undistributed earnings | — |
| Accumulated capital and other losses | (23,273,523) |
| Net unrealized appreciation (depreciation) | (5,560,995) |
| Total accumulated earnings (losses) | (28,834,518) |
| Other | — |
| Paid-in capital | 403,849,824 |
| Total net assets | \$375,015,306 |

E. Income Taxes

The Fund intends to continue to qualify as a regulated investment company by complying with the requirements under Subchapter M of the Internal Revenue Code of 1986, as amended, which includes distributing substantially all of its net investment income and net realized gains to shareholders. Accordingly, no provision has been made for federal and state income taxes. However, due to the timing and amount of distributions, the Fund may be subject to an excise tax of 4% of the amount by which approximately 98% of the Fund's taxable income exceeds the distributions from such taxable income for the calendar year.

Under the Regulated Investment Company Modernization Act of 2010 (the "Act"), net capital losses arising in taxable years beginning after December 22, 2010, may be carried forward indefinitely, and their character is retained as short-term and/or long-term losses. Previously, net capital losses were carried forward for up to eight years and treated as short-term losses. As a transition rule, the Act requires that post-enactment net capital losses be used before pre-enactment net capital losses. At May 31, 2018, for federal income tax purposes, the Fund had capital loss

carryforwards available that are shown in the following table, to the extent provided by regulations, to offset future capital gains through the years indicated. To the extent that these loss carryforwards are used to offset future capital gains, it is probable that the capital gains offset will not be distributed to Fund shareholders.

| Capital Loss Available Through 2019 | Post-Effective (No Expiration) | Total Capital Loss Available |
|-------------------------------------|--------------------------------|------------------------------|
| \$ 4,665,052 | \$ 15,206,373 | \$ 19,871,425 |

At the taxable year ended May 31, 2018, the Fund had \$68,278,827 of pre-enactment capital loss carryforward that expired.

The Fund is subject to certain limitations under the U.S. tax rules on the use of capital loss carryforwards and net unrealized built-in losses. These limitations apply when there has been a 50% change in ownership.

Certain losses realized during the current fiscal year may be deferred and treated as occurring on the first day of the following fiscal year for federal income tax purposes. For the fiscal year ended May 31, 2018, the Fund incurred and elected to defer net ordinary and capital losses as follows:

Qualified Late Year Losses:

| | |
|-----------------|-----------|
| Ordinary Losses | \$ — |
| Capital Losses | 3,402,098 |

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Notes to Financial Statements (Continued)

First Trust Senior Floating Rate Income Fund II (FCT)

May 31, 2018

The Fund is subject to accounting standards that establish a minimum threshold for recognizing, and a system for measuring, the benefits of a tax position taken or expected to be taken in a tax return. Taxable years ended 2015, 2016, 2017, and 2018 remain open to federal and state audit. As of May 31, 2018, management has evaluated the application of these standards to the Fund and has determined that no provision for income tax is required in the Fund's financial statements for uncertain tax positions.

F. Expenses

The Fund will pay all expenses directly related to its operations.

G. New and Amended Financial Reporting Rules and Forms

On October 13, 2016, the SEC adopted new rules and forms, and amended existing rules and forms. The new and amended rules and forms are intended to modernize the reporting of information provided by funds and to improve the quality and type of information that funds provide to the SEC and investors. In part, the new and amended rules and forms amend Regulation S-X and require standardized, enhanced disclosures about derivatives in a fund's financial statements, as well as other amendments. The compliance date for the amendments of Regulation S-X was August 1, 2017, which resulted in additional disclosure for variable interest rate securities within the Portfolio of Investments. The new form types and other rule amendments will be effective for the First Trust funds, including the Fund, for reporting periods beginning on and after June 1, 2018. Management is evaluating the new form types and other rule amendments that are effective on and after June 1, 2018 to determine the impact to the Fund.

H. New Accounting Pronouncement

On March 30, 2017, the FASB issued Accounting Standards Update (ASU) 2017-08 "Premium Amortization on Purchased Callable Debt Securities," which amends the amortization period for certain purchased callable debt securities held at a premium by shortening such period to the earliest call date. The new guidance requires an entity to amortize the premium on a callable debt security within its scope to the earliest call date, unless the guidance for considering estimated prepayments is applied. If the call option is not exercised at the earliest call date, the yield is reset to the effective yield using the payment terms of the security. If the security has more than one call date and the premium was amortized to a call price greater than the next call price, any excess of the amortized cost basis over the amount repayable at the next call date will be amortized to that date. If there are no other call dates, any excess of the amortized cost basis over the par amount will be amortized to maturity. Discounts on purchased callable debt securities will continue to be amortized to the security's maturity date. ASU 2017-08 is effective for public business entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018. Earlier adoption is permitted for all entities, including adoption in an interim period. If an entity early adopts the ASU in an interim period, any adjustments must be reflected as of the beginning of the fiscal year that includes that interim period. Management is still assessing the impact of the adoption of ASU 2017-08 on the financial statements but does not expect it to have a material impact.

3. Investment Advisory Fee, Affiliated Transactions and Other Fee Arrangements

First Trust, the investment advisor to the Fund, is a limited partnership with one limited partner, Grace Partners of DuPage L.P., and one general partner, The Charger Corporation. The Charger Corporation is an Illinois corporation controlled by James A. Bowen, Chief Executive Officer of First Trust. First Trust is responsible for the selection and ongoing monitoring of the Fund's investment portfolio, managing the Fund's business affairs and providing certain administrative services necessary for the management of the Fund. For these investment management services, First Trust is entitled to a monthly fee calculated at an annual rate of 0.75% of the Fund's Managed Assets. First Trust also provides fund reporting services to the Fund for a flat annual fee in the amount of \$9,250.

BNY Mellon Investment Servicing (US) Inc. ("BNYM IS") serves as the Fund's transfer agent in accordance with certain fee arrangements. As transfer agent, BNYM IS is responsible for maintaining shareholder records for the Fund. The Bank of New York Mellon ("BNYM") serves as the Fund's administrator, fund accountant, and custodian in accordance with certain fee arrangements. As administrator and fund accountant, BNYM is responsible for providing certain administrative and accounting services to the Fund, including maintaining the Fund's books of account, records of the Fund's securities transactions, and certain other books and records. As custodian, BNYM is responsible for

custody of the Fund's assets. BNYM IS and BNYM are subsidiaries of The Bank of New York Mellon Corporation, a financial holding company.

Each Trustee who is not an officer or employee of First Trust, any sub-advisor or any of their affiliates ("Independent Trustees") is paid a fixed annual retainer that is allocated equally among each fund in the First Trust Fund Complex. Each Independent Trustee is also paid an annual per fund fee that varies based on whether the fund is a closed-end or other actively managed fund, or is an index fund.

Additionally, the Lead Independent Trustee and the Chairmen of the Audit Committee, Nominating and Governance Committee and Valuation Committee are paid annual fees to serve in such capacities, with such compensation allocated pro rata among each fund in the First Trust Fund Complex based on net assets. Independent Trustees are reimbursed for travel and out-of-pocket expenses in

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Notes to Financial Statements (Continued)

First Trust Senior Floating Rate Income Fund II (FCT)

May 31, 2018

connection with all meetings. The Lead Independent Trustee and Committee Chairmen rotate every three years. The officers and “Interested” Trustee receive no compensation from the Fund for acting in such capacities.

4. Purchases and Sales of Securities

The cost of purchases and proceeds from sales of securities, excluding short-term investments, for the fiscal year ended May 31, 2018, were \$533,747,280 and \$528,117,543, respectively.

5. Borrowings

The Fund has a credit agreement with The Bank of Nova Scotia (“Scotia”) that provides a secured line of credit for the Fund. The maximum commitment amount is \$170,000,000. The borrowing rate is the applicable LIBOR rate plus 85 basis points. Under the credit agreement, the Fund pays a commitment fee of 0.25% when the loan balance is less than 75% of the maximum commitment. The average amount outstanding under the facility for the fiscal year ended May 31, 2018 was \$147,953,425, with the average weighted average interest rate of 2.22%. As of May 31, 2018, the Fund had four loans outstanding under the facility totaling \$155,000,000, which approximates fair value. The borrowings are categorized as Level 2 within the fair value hierarchy. The high and low annual interest rates during the fiscal year ended May 31, 2018 were 2.81% and 1.25%, respectively. The weighted average interest rate at May 31, 2018 was 2.79%. The interest and fees are included in “Interest and fees on loans” on the Statement of Operations.

Prior to July 7, 2017, the Fund had a Revolving Credit and Security Agreement with Liberty Street Funding LLC as conduit lender and Scotia as secondary lender and agent for the secured parties under the agreement. Under the terms of the agreement, the loans bore interest for each settlement period at a rate per annum based on the commercial paper rate of the conduit lender. The Fund also paid a utilization fee at a per annum rate of 0.3625% of the daily average of the aggregate outstanding principal amount of the advances during the prior calendar month, and a commitment fee at a per annum rate of the product of (i) 0.3625% of the daily average of the total commitment in effect during the preceding calendar month and (ii) 1.02.

6. Indemnification

The Fund has a variety of indemnification obligations under contracts with its service providers. The Fund’s maximum exposure under these arrangements is unknown. However, the Fund has not had prior claims or losses pursuant to these contracts and expects the risk of loss to be remote.

7. Litigation

The Fund has been named as a defendant in litigation pending in the Bankruptcy Court for the Southern District of New York as part of the General Motors bankruptcy case. The plaintiff, the Motors Liquidation Company Avoidance Action Trust, is an entity formed under the bankruptcy plan of reorganization to prosecute “avoidance” actions such as preference actions. The lawsuit arises from years of ancillary litigation concerning whether the former holders of a term loan to General Motors (“GM”), for which JP Morgan acted as agent, lost their lien on GM collateral when a Uniform Commercial Code release was mistakenly filed terminating their interest in certain collateral securing the term loan. On January 21, 2015, the federal appeals court in New York ruled that the term lenders’ collateral interest was, indeed, terminated.

By virtue of the federal appellate court’s decision, all of the former holders of the term loan, including the Fund, are now being sued in the bankruptcy court in New York for the avoidance and return of certain payments they received both before and after the GM bankruptcy filing. The bankruptcy court lawsuit is premised on the assertion that the term lenders received payments on account of their status as fully secured creditors when in fact they should not have received the payments because they were not in fact secured.

The Fund was first served following the filing of the First Amended Complaint on May 20, 2015. The payments which were received by the Fund in 2009 and which the plaintiff seeks to recover from the Fund total \$8,057,298. The Fund has engaged counsel to assist with its defense of this matter. Based on the current status of the litigation, the Fund cannot predict the outcome of the litigation at this time or the impact to Fund net assets, if any.

8. Subsequent Events

Management has evaluated the impact of all subsequent events to the Fund through the date the financial statements were issued, and has determined that there were no subsequent events requiring recognition or disclosure in the

financial statements that have not already been disclosed.

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Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Trustees of First Trust Senior Floating Rate Income Fund II:

Opinion on the Financial Statements and Financial Highlights

We have audited the accompanying statements of assets and liabilities of First Trust Senior Floating Rate Income Fund II (the "Fund"), including the portfolio of investments, as of May 31, 2018, the related statements of operations and cash flows for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended, and the related notes. In our opinion, the financial statements and financial highlights present fairly, in all material respects, the financial position of the Fund as of May 31, 2018, and the results of its operations and its cash flows for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements and financial highlights based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements and financial highlights, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements and financial highlights. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and financial highlights. Our procedures included confirmation of securities owned as of May 31, 2018, by correspondence with the custodian, agent banks and brokers; when replies were not received from agent banks and brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

Chicago, Illinois

July 25, 2018

We have served as the auditor of one or more First Trust investment companies since 2001.

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Additional Information

First Trust Senior Floating Rate Income Fund II (FCT)

May 31, 2018 (Unaudited)

Dividend Reinvestment Plan

If your Common Shares are registered directly with the Fund or if you hold your Common Shares with a brokerage firm that participates in the Fund's Dividend Reinvestment Plan (the "Plan"), unless you elect, by written notice to the Fund, to receive cash distributions, all dividends, including any capital gain distributions, on your Common Shares will be automatically reinvested by BNY Mellon Investment Servicing (US) Inc. (the "Plan Agent"), in additional Common Shares under the Plan. If you elect to receive cash distributions, you will receive all distributions in cash paid by check mailed directly to you by the Plan Agent, as the dividend paying agent.

If you decide to participate in the Plan, the number of Common Shares you will receive will be determined as follows:

- If Common Shares are trading at or above net asset value ("NAV") at the time of valuation, the Fund will issue
- (1) new shares at a price equal to the greater of (i) NAV per Common Share on that date or (ii) 95% of the market price on that date.

If Common Shares are trading below NAV at the time of valuation, the Plan Agent will receive the dividend or distribution in cash and will purchase Common Shares in the open market, on the NYSE or elsewhere, for the participants' accounts. It is possible that the market price for the Common Shares may increase before the Plan Agent has completed its purchases. Therefore, the average purchase price per share paid by the Plan

- (2) Agent may exceed the market price at the time of valuation, resulting in the purchase of fewer shares than if the dividend or distribution had been paid in Common Shares issued by the Fund. The Plan Agent will use all dividends and distributions received in cash to purchase Common Shares in the open market within 30 days of the valuation date except where temporary curtailment or suspension of purchases is necessary to comply with federal securities laws. Interest will not be paid on any uninvested cash payments.

You may elect to opt-out of or withdraw from the Plan at any time by giving written notice to the Plan Agent, or by telephone at (866) 340-1104, in accordance with such reasonable requirements as the Plan Agent and the Fund may agree upon. If you withdraw or the Plan is terminated, you will receive a certificate for each whole share in your account under the Plan, and you will receive a cash payment for any fraction of a share in your account. If you wish, the Plan Agent will sell your shares and send you the proceeds, minus brokerage commissions.

The Plan Agent maintains all Common Shareholders' accounts in the Plan and gives written confirmation of all transactions in the accounts, including information you may need for tax records. Common Shares in your account will be held by the Plan Agent in non-certificated form. The Plan Agent will forward to each participant any proxy solicitation material and will vote any shares so held only in accordance with proxies returned to the Fund. Any proxy you receive will include all Common Shares you have received under the Plan.

There is no brokerage charge for reinvestment of your dividends or distributions in Common Shares. However, all participants will pay a pro rata share of brokerage commissions incurred by the Plan Agent when it makes open market purchases.

Automatically reinvesting dividends and distributions does not mean that you do not have to pay income taxes due upon receiving dividends and distributions. Capital gains and income are realized although cash is not received by you. Consult your financial advisor for more information.

If you hold your Common Shares with a brokerage firm that does not participate in the Plan, you will not be able to participate in the Plan and any dividend reinvestment may be effected on different terms than those described above. The Fund reserves the right to amend or terminate the Plan if in the judgment of the Board of Trustees the change is warranted. There is no direct service charge to participants in the Plan; however, the Fund reserves the right to amend the Plan to include a service charge payable by the participants. Additional information about the Plan may be obtained by writing BNY Mellon Investment Servicing (US) Inc., 301 Bellevue Parkway, Wilmington, Delaware 19809.

Proxy Voting Policies and Procedures

Edgar Filing: FIRST TRUST SENIOR FLOATING RATE INCOME FUND II - Form N-CSR

A description of the policies and procedures that the Fund uses to determine how to vote proxies and information on how the Fund voted proxies relating to portfolio investments during the most recent 12-month period ended June 30 is available (1) without charge, upon request, by calling (800) 988-5891; (2) on the Fund's website at www.ftportfolios.com; and (3) on the Securities and Exchange Commission's ("SEC") website at www.sec.gov.

Portfolio Holdings

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Form N-Qs are available (1) by calling (800) 988-5891; (2) on the Fund's website at www.ftportfolios.com;

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Additional Information (Continued)

First Trust Senior Floating Rate Income Fund II (FCT)

May 31, 2018 (Unaudited)

(3) on the SEC's website at www.sec.gov; and (4) for review and copying at the SEC's Public Reference Room ("PRR") in Washington, DC. Information regarding the operation of the PRR may be obtained by calling (800) SEC-0330.

Tax Information

Of the ordinary income (including short-term capital gain) distributions made by the Fund during the fiscal year ended May 31, 2018, none qualify for the corporate dividends received deduction available to corporate shareholders or as qualified dividend income.

Distributions paid to foreign shareholders during the Fund's fiscal year ended May 31, 2018, that were properly designated by the Fund as "interest-related dividends" or "short-term capital gain dividends," may not be subject to federal income tax provided that the income was earned directly by such foreign shareholders.

NYSE Certification Information

In accordance with Section 303A-12 of the New York Stock Exchange ("NYSE") Listed Company Manual, the Fund's President has certified to the NYSE that, as of September 15, 2017, he was not aware of any violation by the Fund of NYSE corporate governance listing standards. In addition, the Fund's reports to the SEC on Forms N-CSR and N-Q contain certifications by the Fund's principal executive officer and principal financial officer that relate to the Fund's public disclosure in such reports and are required by Rule 30a-2 under the 1940 Act.

Submission of Matters to a Vote of Shareholders

The Fund held its Annual Meeting of Shareholders (the "Annual Meeting") on September 11, 2017. At the Annual Meeting, Richard E. Erickson and Thomas R. Kadlec were elected by the Common Shareholders of the First Trust Senior Floating Rate Income Fund II as Class I Trustees for a three-year term expiring at the Fund's annual meeting of shareholders in 2020. The number of votes cast in favor of Mr. Erickson was 23,317,740, the number of votes against Mr. Erickson was 341,085, and the number of broker non-votes was 3,038,157. The number of votes cast in favor of Mr. Kadlec was 23,343,134, the number of votes against Mr. Kadlec was 315,691, and the number of broker non-votes was 3,038,157. James A. Bowen, Robert F. Keith, and Niel B. Nielson are the other current and continuing Trustees.

Risk Considerations

The following discussion summarizes certain (but not all) of the principal risks associated with investing in the Fund. The Fund is subject to the informational requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940 and, in accordance therewith, files reports, proxy statements and other information that is available for review.

Credit Agency Risk. Credit ratings are determined by credit rating agencies and are only the opinions of such entities. Ratings assigned by a rating agency are not absolute standards of credit quality and do not evaluate market risk or the liquidity of securities. Any shortcomings or inefficiencies in credit rating agencies' processes for determining credit ratings may adversely affect the credit ratings of securities held by the Fund and, as a result, may adversely affect those securities' perceived or actual credit risk.

Credit and Below-Investment Grade Securities Risk. Credit risk is the risk that one or more securities in the Fund's portfolio will decline in price, or the issuer thereof will fail to pay interest or repay principal when due.

Below-investment grade instruments are commonly referred to as high-yield securities or "junk" bonds and are considered speculative with respect to the issuer's capacity to pay interest and repay principal and are susceptible to default or decline in market value due to adverse economic and business developments. High-yield securities are often unsecured and subordinated to other creditors of the issuer. The market values for high-yield securities tend to be very volatile, and these securities are generally less liquid than investment grade securities. For these reasons, an investment in the Fund is subject to the following specific risks: (i) increased price sensitivity to changing interest rates and to a deteriorating economic environment; (ii) greater risk of loss due to default or declining credit quality; (iii) adverse company specific events more likely to render the issuer unable to make interest and/or principal payments; (iv) negative perception of the high-yield market which may depress the price and liquidity of high-yield securities; (v) volatility; and (vi) liquidity.

Health Care Companies Risk. Through the Fund's investments in senior loans, the Fund may be significantly exposed to companies in the health care sector. Health care companies are involved in medical services or health care, including biotechnology research and production, drugs and pharmaceuticals and health care facilities and services. These companies are subject to extensive competition, generic drug sales or the loss of patent protection, product liability litigation and increased government regulation. Research and development costs of bringing new drugs to market are substantial, and there is no guarantee that the product will ever come to market. Health care facility operators may be affected by the demand for services, efforts by government or insurers to limit rates, restriction of government financial assistance and competition from other providers.

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Additional Information (Continued)

First Trust Senior Floating Rate Income Fund II (FCT)

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Illiquid Securities Risk. The Fund invests a substantial portion of its assets in lower-quality debt issued by companies that are highly leveraged. Lower-quality debt tends to be less liquid than higher-quality debt. Moreover, smaller debt issues tend to be less liquid than larger debt issues. Although the resale, or secondary market for senior loans is growing, it is currently limited. There is no organized exchange or board of trade on which senior loans are traded. Instead, the secondary market for senior loans is an unregulated inter-dealer or inter-bank resale market. In addition, senior loans in which the Fund invests may require the consent of the borrower and/or agent prior to the settlement of the sale or assignment. These consent requirements can delay or impede the Fund's ability to settle the sale of senior loans. Depending on market conditions, the Fund may have difficulty disposing its senior loans, which may adversely impact its ability to obtain cash to repay debt, to pay dividends, to pay expenses or to take advantage of new investment opportunities.

Interest Rate Risk. The yield on the Fund's common shares will tend to rise or fall as market interest rates rise and fall, as senior loans pay interest at rates which float in response to changes in market rates. Changes in prevailing interest rates can be expected to cause some fluctuation in the Fund's net asset value. Similarly, a sudden and significant increase in market interest rates may cause a decline in the Fund's net asset value.

Leverage Risk. The use of leverage by the Fund can magnify the effect of any losses. If the income and gains from the securities and investments purchased with leverage proceeds do not cover the cost of leverage, the return to the common shares will be less than if leverage had not been used. Leverage involves risks and special considerations for common shareholders including: the likelihood of greater volatility of net asset value and market price of the common shares than a comparable portfolio without leverage; the risk that fluctuations in interest rates on borrowings will reduce the return to the common shareholders or will result in fluctuations in the dividends paid on the common shares; in a declining market, the use of leverage is likely to cause a greater decline in the net asset value of the common shares than if the Fund were not leveraged, which may result in a greater decline in the market price of the common shares; and when the Fund uses certain types of leverage, the investment advisory fee payable to the Advisor will be higher than if the Fund did not use leverage.

LIBOR Risk. In 2012, regulators in the United States and the United Kingdom alleged that certain banks, including some banks serving on the panel for U.S. dollar LIBOR, engaged in manipulative acts in connection with their submissions to the British Bankers Association. Manipulation of the LIBOR rate-setting process would raise the risk to the Fund of being adversely impacted if the Fund received a payment based upon LIBOR and such manipulation of LIBOR resulted in lower resets than would have occurred had there been no manipulation. In 2017, the head of the United Kingdom's Financial Conduct Authority announced a desire to phase out the use of LIBOR by the end of 2021. Due to the recency of this announcement, there remains uncertainty regarding the future utilization of LIBOR and the nature of any replacement rate. As such, the potential effect of a transition away from LIBOR on the Fund or the financial instruments in which the Fund invests cannot yet be determined.

Management Risk and Reliance on Key Personnel. The implementation of the Fund's investment strategy depends upon the continued contributions of certain key employees of the Advisor, some of whom have unique talents and experience and would be difficult to replace. The loss or interruption of the services of a key member of the portfolio management team could have a negative impact on the Fund.

Market Discount from Net Asset Value. Shares of closed-end investment companies such as the Fund frequently trade at a discount from their net asset value. The Fund cannot predict whether its common shares will trade at, below or above net asset value.

Potential Conflicts of Interest Risk. First Trust and the portfolio managers have interests which may conflict with the interests of the Fund. In particular, First Trust currently manages and may in the future manage and/or advise other investment funds or accounts with the same or substantially similar investment objectives and strategies as the Fund. In addition, while the Fund is using leverage, the amount of the fees paid to First Trust for investment advisory and management services are higher than if the Fund did not use leverage because the fees paid are calculated based on managed assets. Therefore, First Trust has a financial incentive to leverage the Fund.

Pre-payment Risk. Loans are subject to pre-payment risk. The degree to which borrowers prepay loans, whether as a contractual requirement or at their election, may be affected by general business conditions, the financial condition of the borrower and competitive conditions among loan investors, among others. As such, prepayments cannot be predicted with accuracy. Upon a prepayment, either in part or in full, the actual outstanding debt on which the Fund derives interest income will be reduced. The Fund may not be able to reinvest the proceeds received on terms as favorable as the prepaid loan.

Reinvestment Risk. Reinvestment risk is the risk that income from the Fund's portfolio will decline if the Fund invests the proceeds from matured, traded or called instruments at market interest rates that are below the Fund's portfolio's current earnings rate. A decline in income could affect the common shares' market price, level of distributions or the overall return of the Fund.

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Additional Information (Continued)

First Trust Senior Floating Rate Income Fund II (FCT)

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Risks Associated with Investments in Distressed Issuers. The Fund may invest in instruments of distressed issuers, including firms that have defaulted on their debt obligations and/or filed for bankruptcy protection. Investing in such investments involves a far greater level of risk than investing in issuers whose debt obligations are being met and whose debt trades at or close to its “par” value. These investments are highly speculative with respect to the issuer’s ability to continue to make interest payments and/or to pay its principal obligations in full; can be very difficult to properly value, making them susceptible to a high degree of price volatility and rendering them less liquid than performing debt obligations; and, for issuers involved in a bankruptcy proceeding, can be subject to a high degree of uncertainty with regard to both the timing and the amount of the ultimate settlement.

Second Lien Loan Risk. A second lien loan may have a claim on the same collateral pool as the first lien or it may be secured by a separate set of assets. Second lien loans are typically secured by a second priority security interest or lien on specified collateral securing the borrower’s obligation under the interest. Because second lien loans are second to first lien loans, they present a greater degree of investment risk. Specifically, these loans are subject to the additional risk that the cash flow of the borrower and property securing the loan may be insufficient to meet scheduled payments after giving effect to those loans with a higher priority. In addition, loans that have a lower than first lien priority on collateral of the borrower generally have greater price volatility than those loans with a higher priority and may be less liquid.

Senior Loan Risk. In the event a borrower fails to pay scheduled interest or principal payments on a senior loan held by the Fund, the Fund will experience a reduction in its income and a decline in the value of the senior loan, which will likely reduce dividends and lead to a decline in the net asset value of the Fund’s common shares. If the Fund acquires a senior loan from another lender, for example, by acquiring a participation, the Fund may also be subject to credit risks with respect to that lender. Although senior loans may be secured by specific collateral, the value of the collateral may not equal the Fund’s investment when the senior loan is acquired or may decline below the principal amount of the senior loan subsequent to the Fund’s investment. Also, to the extent that collateral consists of stock of the borrower or its subsidiaries or affiliates, the Fund bears the risk that the stock may decline in value, be relatively illiquid, and/or may lose all or substantially all of its value, causing the senior loan to be under collateralized.

Therefore, the liquidation of the collateral underlying a senior loan may not satisfy the issuer’s obligation to the Fund in the event of non-payment of scheduled interest or principal, and the collateral may not be readily liquidated.

Valuation Risk. Because the secondary market for senior loans is limited, it may be difficult to value the loans held by the Fund. Market quotations may not be readily available for some senior loans and valuation may require more research than for liquid securities. In addition, elements of judgment may play a greater role in the valuation of senior loans than for securities with a secondary market, because there is less reliable objective data available. These difficulties may lead to inaccurate asset pricing.

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Board of Trustees and Officers

First Trust Senior Floating Rate Income Fund II (FCT)

May 31, 2018 (Unaudited)

The following tables identify the Trustees and Officers of the Fund. Unless otherwise indicated, the address of all persons is 120 E. Liberty Drive, Suite 400, Wheaton, IL 60187.

| Name, Year of Birth and Position with the Trust | Term of Office and Year First Elected or Appointed ⁽¹⁾ | Principal Occupations During Past 5 Years | Number of Portfolios in the First Trust Fund Complex Overseen by Trustee | Other Trusteeships or Directorships Held by Trustee During Past 5 Years |
|--|---|---|--|--|
| INDEPENDENT TRUSTEES | | | | |
| Richard E. Erickson, Trustee (1951) | <ul style="list-style-type: none"> • Three Year Term • Since Fund Inception | Physician; Officer, Wheaton Orthopedics; Limited Partner, Gundersen Real Estate Limited Partnership (June 1992 to December 2016); Member, Sportsmed LLC (April 2007 to November 2015) | 155 | None |
| Thomas R. Kadlec, Trustee (1957) | <ul style="list-style-type: none"> • Three Year Term • Since Fund Inception | President, ADM Investor Services, Inc. (Futures Commission Merchant) | 155 | Director of ADM Investor Services, Inc., ADM Investor Services International, Futures Industry Association, and National Futures Association |
| Robert F. Keith, Trustee (1956) | <ul style="list-style-type: none"> • Three Year Term • Since June 2006 | President, Hibs Enterprises (Financial and Management Consulting) | 155 | Director of Trust Company of Illinois |
| Niel B. Nielson, Trustee (1954) | <ul style="list-style-type: none"> • Three Year Term • Since Fund Inception | Managing Director and Chief Operating Officer (January 2015 to Present), Pelita Harapan Educational Foundation (Educational Products and Services); President and Chief Executive Officer (June 2012 to September 2014), Servant Interactive LLC (Educational Products and Services); President and Chief Executive Officer (June 2012 to September 2014), Dew Learning LLC (Educational Products and Services) | 155 | Director of Covenant Transport, Inc. (May 2003 to May 2014) |
| INTERESTED TRUSTEE | | | | |
| James A. Bowen ⁽²⁾ , Trustee and Chairman of the Board (1955) | <ul style="list-style-type: none"> • Three Year Term • Since Fund Inception | Chief Executive Officer, First Trust Advisors L.P. and First Trust Portfolios L.P.; Chairman of the Board of Directors, BondWave LLC (Software Development Company) and Stonebridge Advisors LLC (Investment Advisor) | 155 | None |

(1) Currently, Thomas R. Kadlec and Richard E. Erickson, as Class I Trustees, are serving as trustees until the Fund's 2020 annual meeting of shareholders. Niel B Nielson, as a Class II Trustee is serving as a trustee until the Fund's 2018 annual meeting of shareholders. James A. Bowen and Robert F. Keith, as Class III Trustees, are serving as trustees until the Fund's 2019 annual meeting of shareholders.

Mr. Bowen is deemed an “interested person” of the Fund due to his position as CEO of First Trust Advisors, L.P.,
(2) investment advisor of the Fund.

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Board of Trustees and Officers (Continued)

First Trust Senior Floating Rate Income Fund II (FCT)

May 31, 2018 (Unaudited)

| Name and Year of Birth | Position and Offices with Trust | Term of Office and Length of Service | Principal Occupations During Past 5 Years |
|-------------------------------|---|---|---|
| OFFICERS⁽³⁾ | | | |
| James M. Dykas (1966) | President and Chief Executive Officer | <ul style="list-style-type: none"> • Indefinite Term • Since January 2016 | Managing Director and Chief Financial Officer (January 2016 to Present), Controller (January 2011 to January 2016), Senior Vice President (April 2007 to January 2016), First Trust Advisors L.P. and First Trust Portfolios L.P.; Chief Financial Officer (January 2016 to Present), BondWave LLC (Software Development Company) and Stonebridge Advisors LLC (Investment Advisor) |
| Donald P. Swade (1972) | Treasurer, Chief Financial Officer and Chief Accounting Officer | <ul style="list-style-type: none"> • Indefinite Term • Since January 2016 | Senior Vice President (July 2016 to Present), Vice President (April 2012 to July 2016), First Trust Advisors L.P. and First Trust Portfolios L.P. |
| W. Scott Jardine (1960) | Secretary and Chief Legal Officer | <ul style="list-style-type: none"> • Indefinite Term • Since Fund Inception | General Counsel, First Trust Advisors L.P. and First Trust Portfolios L.P.; Secretary and General Counsel, BondWave LLC; Secretary, Stonebridge Advisors LLC |
| Daniel J. Lindquist (1970) | Vice President | <ul style="list-style-type: none"> • Indefinite Term • Since September 2005 • Indefinite Term | Managing Director, First Trust Advisors L.P. and First Trust Portfolios L.P. |
| Kristi A. Maher (1966) | Chief Compliance Officer and Assistant Secretary | <ul style="list-style-type: none"> • Chief Compliance Officer Since January 2011 • Assistant Secretary Since Fund Inception | Deputy General Counsel, First Trust Advisors L.P. and First Trust Portfolios L.P. |

⁽³⁾ The term “officer” means the president, vice president, secretary, treasurer, controller or any other officer who performs a policy making function.

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Privacy Policy

First Trust Senior Floating Rate Income Fund II (FCT)

May 31, 2018 (Unaudited)

Privacy Policy

First Trust values our relationship with you and considers your privacy an important priority in maintaining that relationship. We are committed to protecting the security and confidentiality of your personal information.

Sources of Information

We collect nonpublic personal information about you from the following sources:

- Information we receive from you and your broker-dealer, investment advisor or financial representative through interviews, applications, agreements or other forms;
- Information about your transactions with us, our affiliates or others;
- Information we receive from your inquiries by mail, e-mail or telephone; and
- Information we collect on our website through the use of “cookies”. For example, we may identify the pages on our website that your browser requests or visits.

Information Collected

The type of data we collect may include your name, address, social security number, age, financial status, assets, income, tax information, retirement and estate plan information, transaction history, account balance, payment history, investment objectives, marital status, family relationships and other personal information.

Disclosure of Information

We do not disclose any nonpublic personal information about our customers or former customers to anyone, except as permitted by law. In addition to using this information to verify your identity (as required under law), the permitted uses may also include the disclosure of such information to unaffiliated companies for the following reasons:

- In order to provide you with products and services and to effect transactions that you request or authorize, we may disclose your personal information as described above to unaffiliated financial service providers and other companies that perform administrative or other services on our behalf, such as transfer agents, custodians and trustees, or that assist us in the distribution of investor materials such as trustees, banks, financial representatives, proxy services, solicitors and printers.
- We may release information we have about you if you direct us to do so, if we are compelled by law to do so, or in other legally limited circumstances (for example to protect your account from fraud).

In addition, in order to alert you to our other financial products and services, we may share your personal information within First Trust.

Use of Web Analytics

We currently use third party analytics tools, Google Analytics and AddThis, to gather information for purposes of improving First Trust’s website and marketing our products and services to you. These tools employ cookies, which are small pieces of text stored in a file by your web browser and sent to websites that you visit, to collect information, track website usage and viewing trends such as the number of hits, pages visited, videos and PDFs viewed and the length of user sessions in order to evaluate website performance and enhance navigation of the website. We may also collect other anonymous information, which is generally limited to technical and web navigation information such as the IP address of your device, internet browser type and operating system for purposes of analyzing the data to make First Trust’s website better and more useful to our users. The information collected does not include any personal identifiable information such as your name, address, phone number or email address unless you provide that information through the website for us to contact you in order to answer your questions or respond to your requests. To find out how to opt-out of these services click on: Google Analytics and AddThis.

Confidentiality and Security

With regard to our internal security procedures, First Trust restricts access to your nonpublic personal information to those First Trust employees who need to know that information to provide products or services to you. We maintain physical, electronic and procedural safeguards to protect your nonpublic personal information.

Policy Updates and Inquiries

As required by federal law, we will notify you of our privacy policy annually. We reserve the right to modify this policy at any time, however, if we do change it, we will tell you promptly. For questions about our policy, or for additional copies of this notice, please go to www.ftportfolios.com, or contact us at 1-800-621-1675 (First Trust Portfolios) or 1-800-222-6822 (First Trust Advisors).

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INVESTMENT ADVISOR

First Trust Advisors L.P.
120 E. Liberty Drive, Suite 400
Wheaton, IL 60187

TRANSFER AGENT

BNY Mellon Investment Servicing (US) Inc.
301 Bellevue Parkway
Wilmington, DE 19809

ADMINISTRATOR,
FUND ACCOUNTANT, AND
CUSTODIAN

The Bank of New York Mellon
101 Barclay Street, 20th Floor
New York, NY 10286

INDEPENDENT REGISTERED
PUBLIC ACCOUNTING FIRM

Deloitte & Touche LLP
111 S. Wacker Drive
Chicago, IL 60606

LEGAL COUNSEL

Chapman and Cutler LLP
111 W. Monroe Street
Chicago, IL 60603

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Item 2. Code of Ethics.

(a) The registrant, as of the end of the period covered by this report, has adopted a code of ethics that applies to the registrant's principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions, regardless of whether these individuals are employed by the registrant or a third party.

(c) There have been no amendments, during the period covered by this report, to a provision of the code of ethics that applies to the registrant's principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions, regardless of whether these individuals are employed by the registrant or a third party, and that relates to any element of the code of ethics description.

(d) The registrant has not granted any waivers, including an implicit waiver, from a provision of the code of ethics that applies to the registrant's principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions, regardless of whether these individuals are employed by the registrant or a third party, that relates to one or more of the items set forth in paragraph (b) of this item's instructions.

(e)

Not applicable.

Item 3. Audit Committee Financial Expert.

As of the end of the period covered by the report, the registrant's Board of Trustees has determined that Thomas R. Kadlec and Robert F. Keith are qualified to serve as audit committee financial experts serving on its audit committee and that each of them is "independent," as defined by Item 3 of Form N-CSR.

Item 4. Principal Accountant Fees and Services.

(a) AUDIT FEES (REGISTRANT) -- The aggregate fees billed for each of the last two fiscal years for professional services rendered by the principal accountant for the audit of the registrant's annual financial statements or services that are normally provided by the accountant in connection with statutory and regulatory filings or engagements were \$70,000 for 2017 and \$57,000 for 2018.

(b) AUDIT-RELATED FEES (REGISTRANT) -- The aggregate fees billed in each of the last two fiscal years, for assurance and related services by the principal accountant that are reasonably related to the performance of the audit of the registrant's financial statements and are not reported under paragraph (a) of this Item were \$92 for 2017 and \$0 for 2018.

AUDIT-RELATED FEES (INVESTMENT ADVISER) -- The aggregate fees billed in each of the last two fiscal years of the registrant for assurance and related services by the principal accountant that are reasonably related to the performance of the audit of the Registrant's financial statements and are not reported under paragraph (a) of this Item were \$0 for 2017 and \$0 for 2018.

(c) TAX FEES (REGISTRANT) -- The aggregate fees billed in each of the last two fiscal years for professional services rendered by the principal accountant for tax compliance, tax advice, and tax planning to the registrant were \$5,200 for 2017 and \$4,450 for 2018. These fees were for tax consultation and tax preparation.

TAX FEES (INVESTMENT ADVISER) -- The aggregate fees billed in each of the last two fiscal years of the registrant for professional services rendered by the principal accountant for tax compliance, tax advice, and tax planning to the registrant's adviser were \$0 for 2017 and \$0 for 2018.

(d) ALL OTHER FEES (REGISTRANT) -- The aggregate fees billed in each of the last two fiscal years for products and services provided by the principal accountant to the registrant, other than the services reported in paragraphs (a) through (c) of this Item were \$0 for 2017 and \$0 for 2018.

ALL OTHER FEES (INVESTMENT ADVISER) -- The aggregate fees billed in each of the last two fiscal years for products and services provided by the principal accountant to the Registrant's investment adviser, other than services reported in paragraphs (a) through (c) of this Item were \$0 for 2017 and \$0 for 2018.

(e)(1) Disclose the audit committee's pre-approval policies and procedures described in paragraph (c)(7) of Rule 2-01 of Regulation S-X.

Pursuant to its charter and its Audit and Non-Audit Services Pre-Approval Policy, the Audit Committee (the "Committee") is responsible for the pre-approval of all audit services and permitted non-audit services (including the fees and terms thereof) to be performed for the Registrant by its independent auditors. The Chairman of the Committee is authorized to give such pre-approvals on behalf of the Committee up to \$25,000 and report any such pre-approval to the full Committee.

The Committee is also responsible for the pre-approval of the independent auditor's engagements for non-audit services with the Registrant's adviser (not including a sub-adviser whose role is primarily portfolio management and is sub-contracted or overseen by another investment adviser) and any entity controlling, controlled by or under common control with the investment adviser that provides ongoing services to the Registrant, if the engagement relates directly to the operations and financial reporting of the Registrant, subject to the *de minimis* exceptions for non-audit services described in Rule 2-01 of Regulation S-X. If the independent auditor has provided non-audit services to the Registrant's adviser (other than any sub-adviser whose role is primarily portfolio management and is sub-contracted with or overseen by another investment adviser) and any entity controlling, controlled by or under common control with the investment adviser that provides ongoing services to the Registrant that were not pre-approved pursuant to its policies, the Committee will consider whether the provision of such non-audit services is compatible with the auditor's independence.

The percentage of services described in each of paragraphs (b) through (d) for the Registrant and the Registrant's investment adviser of this Item that were approved by the audit committee pursuant to the pre-approval exceptions included in paragraph (c)(7)(i)(c) or paragraph (c)(7)(ii) of Rule 2-01 of Regulation S-X are as follows:

(b) 0%

(c) 0%

(d) 0%

The percentage of hours expended on the principal accountant's engagement to audit the registrant's financial statements for the most recent fiscal year that were attributed to work performed by persons other than the principal accountant's full-time, permanent employees was less than fifty percent.

The aggregate non-audit fees billed by the registrant's accountant for services rendered to the registrant, and rendered to the registrant's investment adviser (not including any sub-adviser whose role is primarily portfolio management and is subcontracted with or overseen by another investment adviser), and any entity controlling, (g) controlled by, or under common control with the adviser that provides ongoing services to the Registrant for the fiscal year ended May 31, 2017 were \$5,200 for the Registrant and \$44,400 for the Registrant's investment adviser and for the fiscal year ended May 31, 2018 were \$4,450 for the Registrant and \$12,000 for the Registrant's investment adviser.

The Registrant's audit committee of its Board of Trustees determined that the provision of non-audit services that were rendered to the Registrant's investment adviser (not including any sub-adviser whose role is primarily portfolio management and is subcontracted with or overseen by another investment adviser), and any entity (h) controlling, controlled by, or under common control with the investment adviser that provides ongoing services to the Registrant that were not pre-approved pursuant to paragraph (c)(7)(ii) of Rule 2-01 of Regulation S-X is compatible with maintaining the principal accountant's independence.

Item 5. Audit Committee of Listed registrants.

The registrant has a separately designated standing audit committee consisting of all the independent trustees of the (a) registrant. The members of the audit committee are: Thomas R. Kadlec, Niel B. Nielson, Richard E. Erickson and Robert F. Keith.

Item 6. Investments.

(a) Schedule of Investments in securities of unaffiliated issuers as of the close of the reporting period is included as part of the report to shareholders filed under Item 1 of this form.

(b) Not applicable.

Item 7. Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies.

The Proxy Voting Policies are attached herewith.

Item 8. Portfolio Managers of Closed-End Management Investment Companies.

(a)(1) **Identification of Portfolio Manager(s) or Management Team Members and Description of Role of Portfolio Manager(s) or Management Team Members**

Information provided as of May 31, 2018

The First Trust Advisors Leveraged Finance Investment Team manages a portfolio comprised primarily of U.S. dollar denominated, senior secured floating-rate loans. The Portfolio Managers are responsible for directing the investment activities within the Fund. William Housey is the Senior Portfolio Manager and has primary responsibility for investment decisions. Scott Fries assists Mr. Housey and there are also Senior Credit Analysts assigned to certain industries. The Portfolio Managers are supported in their portfolio management activities by the First Trust Advisors Leveraged Finance Investment Team, including a team of credit analysts, a designated trader and operations personnel. Senior Credit Analysts are assigned industries and Associate Credit Analysts support the Senior Credit Analysts. All credit analysts, operations personnel and portfolio managers report to Mr. Housey.

William Housey, CFA

Senior Vice President, Senior Portfolio Manager

Mr. Housey joined First Trust in June 2010 as the Senior Portfolio Manager for the Leveraged Finance

Investment Team and has 21 years of investment experience. Mr. Housey is a Senior Vice President of First Trust. Prior to joining First Trust, Mr. Housey was at Morgan Stanley/Van Kampen Funds, Inc. for 11 years and served as Executive Director and Co-Portfolio Manager. Mr. Housey has extensive experience in portfolio management of both leveraged and unleveraged credit products, including bank loans, high yield bonds, credit derivatives and corporate restructurings. Mr. Housey received a BS in Finance from Eastern Illinois University and an MBA in Finance and Management and Strategy from Northwestern University's Kellogg School of Business. He holds the FINRA Series 7, Series 52 and Series 63 licenses and the Chartered Financial Analyst designation. He is a member of the CFA Institute and the CFA Society of Chicago.

Scott D. Fries, CFA

Vice President, Portfolio Manager

Mr. Fries, CFA, joined First Trust in June 2010 as a Portfolio Manager in the Leveraged Finance Investment Team and has 23 years of investment industry experience. Mr. Fries is a Senior Vice President of First Trust. Prior to joining First Trust, Mr. Fries spent 15 years at Morgan Stanley/Van Kampen Funds, Inc, where he most recently served as Executive Director and Co-Portfolio Manager of Institutional Separately Managed Accounts. Mr. Fries received a BA in International Business from Illinois Wesleyan University and an MBA in Finance from DePaul University. Mr. Fries holds the Chartered Financial Analyst designation. He is a member of the CFA Institute and the CFA Society of Chicago.

(a)(2) Other Accounts Managed by Portfolio Manager(s) or Management Team Member and Potential Conflicts of Interest

Information provided as of May 31, 2018

| Name of Portfolio Manager or Team Member | Type of Accounts | Total # of Accounts Managed* | Total Assets | # of Accounts Managed for which Advisory Fee is Based on Performance | Total Assets for which Advisory Fee is Based on Performance |
|--|-----------------------|------------------------------|--------------|--|---|
| 1. William Housey, CFA | Registered Investment | 7 | \$3.541B | 0 | \$0 |

| | | | | | |
|---------------------|-----------------|---|----------|---|-----|
| | Companies: | | | | |
| | Other Pooled | | | | |
| | Investment | 0 | \$0 | 0 | \$0 |
| | Vehicles: | | | | |
| | Other Accounts: | 0 | \$0 | 0 | \$0 |
| | Registered | | | | |
| 2. Scott Fries, CFA | Investment | 7 | \$3.541B | 0 | \$0 |
| | Companies: | | | | |
| | Other Pooled | | | | |
| | Investment | 0 | \$0 | 0 | \$0 |
| | Vehicles: | | | | |
| | Other Accounts: | 0 | \$0 | 0 | \$0 |

* Information excludes the registrant.

Potential Conflicts of Interests

Potential conflicts of interest may arise when a portfolio manager of the Registrant has day-to-day management responsibilities with respect to one or more other funds or other accounts. The First Trust Advisors Leveraged Finance Investment Team adheres to its trade allocation policy utilizing a pro-rata methodology to address this conflict.

First Trust and its affiliate, First Trust Portfolios L.P. (“FTP”), have in place a joint Code of Ethics and Insider Trading Policies and Procedures that are designed to (a) prevent First Trust personnel from trading securities based upon material inside information in the possession of such personnel and (b) ensure that First Trust personnel avoid actual or potential conflicts of interest or abuse of their positions of trust and responsibility that could occur through such activities as front running securities trades for the Registrant. Personnel are required to have duplicate confirmations and account statements delivered to First Trust and FTP compliance personnel who then compare such trades to trading activity to detect any potential conflict situations. In addition to the personal trading restrictions specified in the Code of Ethics and Insider Trading Policies and Procedures, employees in the First Trust Advisors Leveraged Finance Investment Team are prohibited from buying or selling equity securities (including derivative instruments such as options, warrants and futures) and corporate bonds for their personal account and in any accounts over which they exercise control. Employees in the First Trust Advisors Leveraged Finance Investment Team are also prohibited from engaging in any personal transaction while in possession of material non-public information regarding the security or the issuer of the security. First Trust and FTP also maintain a restricted list of all issuers for which the First Trust Advisors Leveraged Finance Investment Team has material non-public information in its possession and all transactions executed for a product advised or supervised by First Trust or FTP are compared daily against the restricted list.

(a)(3) Compensation Structure of Portfolio Manager(s) or Management Team Members Information provided as of May 31, 2018

The compensation structure for the First Trust Advisors Leveraged Finance Investment Team is based upon a fixed salary as well as a discretionary bonus determined by the management of First Trust.

Salaries are determined by management and are based upon an individual’s position and overall value to the firm. The compensation structure for internal portfolio managers is based upon a fixed salary as well as a discretionary bonus determined by the management of FTA. Bonuses are also determined by management and are based upon an individual’s overall contribution to the success of the firm and the profitability of the firm; however, assets under management may be a factor in determining bonus size for certain portfolio manager groups. Salaries and bonuses are

not based on fund performance.

| (a)(4) Name of Portfolio Manager or Team Member | Disclosure of Securities Ownership as of May 31, 2018 Dollar (\$) Range of Fund Shares Beneficially Owned |
|---|--|
| William Housey | \$10,001 - \$50,000 |
| Scott Fries | \$0 (0 shares) |

(b) Not applicable.

Item 9. Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers.

Not applicable.

Item 10. Submission of Matters to a Vote of Security Holders.

There have been no material changes to the procedures by which the shareholders may recommend nominees to the registrant's Board of Trustees, where those changes were implemented after the registrant last provided disclosure in response to the requirements of Item 407(c)(2)(iv) of Regulation S-K (17 CFR 229.407) (as required by Item 22(b)(15) of Schedule 14A (17 CFR 240.14a-101)), or this Item.

Item 11. Controls and Procedures.

The registrant's principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act") (17 CFR 270.30a-3(c))) are effective, as of a date within 90 (a)days of the filing date of the report that includes the disclosure required by this paragraph, based on their evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR 270.30a-3(b)) and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended (17 CFR 240.13a-15(b) or 240.15d-15(b)).

- (b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d))) that occurred during the registrant's second fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 12. Disclosure of Securities Lending Activities for Closed-End Management Investment Companies.

Not applicable.

Item 13. Exhibits.

(a)(1) Not applicable.

(a)(2) Certifications pursuant to Rule 30a-2(a) under the 1940 Act and Section 302 of the Sarbanes-Oxley Act of 2002 are attached hereto.

(a)(3) Not applicable.

(a)(4) Not applicable.

(b) Certifications pursuant to Rule 30a-2(b) under the 1940 Act and Section 906 of the Sarbanes- Oxley Act of 2002 are attached hereto.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(registrant) First Trust Senior Floating Rate Income Fund II

By (Signature and Title)* /s/ James M. Dykas
James M. Dykas, President and Chief Executive Officer
(principal executive officer)

Date August 8, 2018

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By (Signature and Title)* /s/ James M. Dykas
James M. Dykas, President and Chief Executive Officer
(principal executive officer)

Date August 8, 2018

By (Signature and Title)* /s/ Donald P. Swade
Donald P. Swade, Treasurer, Chief Financial Officer
and Chief Accounting Officer
(principal financial officer)

Date August 8, 2018

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