

Flagstone Reinsurance Holdings Ltd
Form SC 13G/A
November 13, 2008

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13G

Under the Securities Exchange Act of 1934
(Amendment No. 1)*

Flagstone Reinsurance Holdings Limited
(Name of Issuer)

Common Shares, par value, \$0.01 per share
(Title of Class of Securities)

G3529T105
(CUSIP Number)

November 12, 2008

(Date of Event which Requires Filing of this Statement)

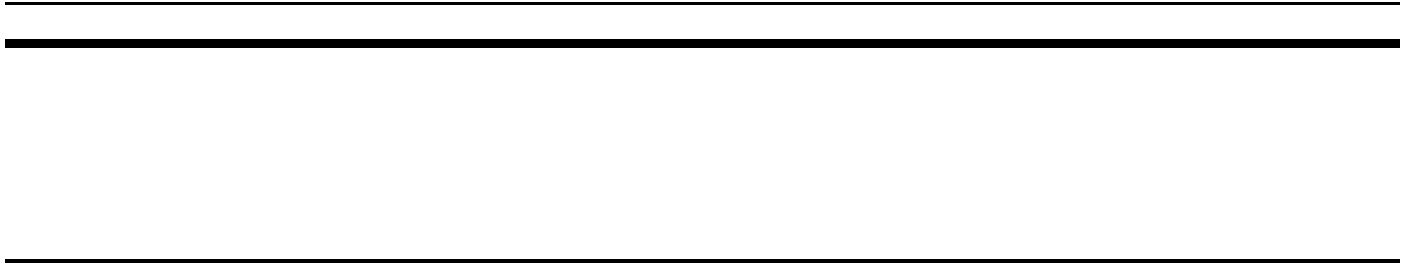
Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- Rule 13d-1(b)
 Rule 13d-1(c)
 Rule 13d-1(d)

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of

Section 18 of the Securities Exchange Act of 1934 (“Act”) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).



CUSIP G3529T105 13G
 No.

NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

1

Haverford (Bermuda) Ltd.

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions)

2

(a) ..

(b) x

SEC USE ONLY

3

CITIZENSHIP OR PLACE OF ORGANIZATION

4

Bermuda

SOLE VOTING POWER

5

NUMBER OF
 SHARES
 BENEFICIALLY
 OWNED BY

2,842,409 common shares

SHARED VOTING POWER

6

EACH
 REPORTING
 PERSON
 WITH

-0-

SOLE DISPOSITIVE POWER

7

2,842,409 common shares

SHARED DISPOSITIVE POWER

8

-0-

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

9

2,842,409 common shares

CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (See Instructions)

10

..

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

11

3.36%*

TYPE OF REPORTING PERSON (See Instructions)

12

CO

* Based on 84,685,896 outstanding common shares, which is the total number of shares issued and outstanding as reported in the Issuer's Quarterly Report on Form 10-Q for the quarter ended September 30, 2008.

CUSIP G3529T105 13G
 No.

NAME OF REPORTING PERSONS

1 I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Mark J. Byrne

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions)

2 (a)

(b)

SEC USE ONLY

3

CITIZENSHIP OR PLACE OF ORGANIZATION

4

Ireland

SOLE VOTING POWER

5

NUMBER OF
 SHARES
 BENEFICIALLY
 OWNED BY
 EACH
 REPORTING
 PERSON
 WITH

-0-

SHARED VOTING POWER

6

9,838,795 common shares*

SOLE DISPOSITIVE POWER

7

-0-

SHARED DISPOSITIVE POWER

8

9,838,795 common shares*

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

9

9,838,795

CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (See Instructions)

10

..

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

11

11.62%**

TYPE OF REPORTING PERSON (See Instructions)

12

IN

* Mr. Byrne has provided capital to Haverford (Bermuda) Ltd., and he may be deemed to have investment or voting control and may be deemed to beneficially own 2,633,639 common shares of the Issuer held of record by Haverford (Bermuda) Ltd. These shares represent the indirect proportionate interest of Mr. Byrne in the 2,842,409 common shares of the Issuer held of record by Haverford (Bermuda) Ltd. These shares are held through a trust for the benefit of others and Mr. Byrne therefore disclaims beneficial ownership of these common shares. IAL FSR Limited owns 7,155,156 common shares of the Issuer, which it holds for the benefit of a company which is owned by a trust for

which Mr. Byrne acts as the settlor. Mr. Byrne disclaims beneficial ownership of these shares. Rebecca Byrne, Mr. Byrne's wife, is the record holder of 50,000 common shares of the Issuer which were purchased through the Directed Share Program in connection with the initial public offering of common shares of the Issuer. Mr. Byrne disclaims beneficial ownership of these shares.

** Based on 84,685,896 outstanding common shares, which is the total number of shares issued and outstanding as reported on the Issuer's Quarterly Report on Form 10-Q for the quarter ended September 30, 2008.

CUSIP G3529T105 13G
 No.

NAME OF REPORTING PERSONS

1 I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

David A. Brown

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions)

2 (a)
 (b)

SEC USE ONLY

3

CITIZENSHIP OR PLACE OF ORGANIZATION

4

United Kingdom

SOLE VOTING POWER

5

NUMBER OF
 SHARES

490,000 common shares*

SHARED VOTING POWER

BENEFICIALLY

6

OWNED BY
 EACH

291,205 common shares**

SOLE DISPOSITIVE POWER

REPORTING
 PERSON

7

WITH

490,000 common shares*

SHARED DISPOSITIVE POWER

8

291,205 common shares**

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

9

781,205 common shares

CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (See Instructions)

10

..

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

11

0.92%**

TYPE OF REPORTING PERSON (See Instructions)

12

IN

* 10,000 of these shares are owned directly by Mr. Brown. 480,000 of these common shares represent Performance Share Units ("PSUs") which will vest, subject to certain contingencies as set out in the Issuer's PSU Plan, on December 31, 2008. Vesting of the PSUs is contingent upon the Issuer meeting certain fully diluted return-on-equity ("FDROE") goals. Upon vesting, Mr. Brown shall be entitled to receive a number of common shares of the Issuer (or the cash

equivalent, at the election of the Issuer) which is based on the Issuer's FDROE during the vesting period. 480,000 shares assumes a maximum FDROE, which may not ultimately be achieved by the Issuer.

** Mr. Brown has provided capital to Haverford (Bermuda) Ltd., and he may be deemed to have investment or voting control and may be deemed to beneficially own 208,770 common shares of the Issuer held of record by Haverford (Bermuda) Ltd. These common shares represent the indirect proportionate interest of Mr. Brown in the 2,842,409 common shares of the Issuer held of record by Haverford (Bermuda) Ltd. These common shares are held through a trust for the benefit of others and Mr. Brown therefore disclaims beneficial ownership of these common shares. In addition, Mr. Brown acts as the settlor of a trust that is the owner of Leyton Limited, and Leyton Limited is the record holder of 80,000 common shares of the Issuer which were purchased through the Directed Share Program in connection with the initial public offering of common shares of the Issuer, as well as 2,435 common shares of the Issuer which were paid to Leyton Limited from Haverford (Bermuda) Ltd on November 12, 2008 as a dividend in specie. Mr. Brown disclaims beneficial ownership of the shares held by Leyton Limited.

** Based on 84,685,896 outstanding common shares, which is the total number of shares issued and outstanding as reported in the Issuer's Quarterly Report on Form 10-Q for the quarter ended September 30, 2008.

Item 1.

(a) Name of Issuer: Flagstone Reinsurance Holdings Limited

(b) Address of Issuer's Principal Executive Offices:

Crawford House
23 Church Street
Hamilton HM11, Bermuda

Item 2.

(a) Name of Person Filing:

Haverford (Bermuda) Ltd., a Bermuda Company

Individuals:

(i) Mark J. Byrne, an Irish citizen

(ii) David A. Brown, a United Kingdom citizen

(b) Address of Principal Business Office or, if none, Residence:

c/o Haverford (Bermuda) Ltd.
Crawford House
23 Church Street
Hamilton, HM11, Bermuda

(c) Citizenship: Each of the entities or persons identified in 2(a) above is a company or an individual organized under the laws of the jurisdiction, or is a citizen of the jurisdiction, as applicable, set forth opposite such entity's or person's name.

(d) Title of Class of Securities: Common shares, par value \$0.01 per share ("common shares")

(e) CUSIP Number: G3529T105

Item 3. If this statement is filed pursuant to Rules 13d-1(b), or 13d-2(b) or (c), check whether the person filing is a:

- (a) .. Broker or dealer registered under section 15 of the Act;
- (b) .. Bank as defined in section 3(a)(6) of the Act;
- (c) .. Insurance company as defined in section 3(a)(19) of the Act;
- (d) .. Investment company registered under section 8 of the Investment Company Act of 1940;
- (e) .. An investment adviser in accordance with Rule 13d-1(b)(1)(ii)(E);
- (f) .. An employee benefit plan or endowment fund in accordance with Rule 13d-1(b)(1)(ii)(F);

- (g) " A parent holding company or control person in accordance with Rule 13d-1(b)(1)(ii)(G) (Note: See Item 7);
- (h) " A savings association as defined in section 3(b) of the Federal Deposit Insurance Act;

- (i) .. A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940;
- (j) .. Group, in accordance with Rule 13d-1(b)(1)(ii)(H).

If this statement is filed pursuant to Rule 13d-1(c), check this box. "

Item 4. Ownership

(a) Amount beneficially owned:

- (i) Haverford (Bermuda) Ltd. is the record holder of 2,842,409 common shares of the Issuer.
- (ii) Mr. Byrne has provided capital to Haverford (Bermuda) Ltd., and he may be deemed to have investment or voting control and may be deemed to beneficially own 2,633,639 common shares of the Issuer held of record by Haverford (Bermuda) Ltd. These shares represent the indirect proportionate interest of Mr. Byrne in the 2,842,409 common shares of the Issuer held of record by Haverford (Bermuda) Ltd. These shares are held through a trust for the benefit of others and Mr. Byrne therefore disclaims beneficial ownership of these common shares. IAL FSR Limited owns 7,155,156 common shares of the Issuer, which it holds for the benefit of a company which is owned by a trust for which Mr. Byrne acts as the settlor. Mr. Byrne disclaims beneficial ownership of these shares. Rebecca Byrne, Mr. Byrne's wife, is the record holder of 50,000 common shares of the Issuer which were purchased through the Directed Share Program in connection with the initial public offering of common shares of the Issuer. Mr. Byrne disclaims beneficial ownership of these shares.
- (iii) Mr. Brown has provided capital to Haverford (Bermuda) Ltd., and he may be deemed to have investment or voting control and may be deemed to beneficially own 208,770 common shares of the Issuer held of record by Haverford (Bermuda) Ltd. These common shares represent the indirect proportionate interest of Mr. Brown in the 2,842,409 common shares of the Issuer held of record by Haverford (Bermuda) Ltd. These common shares are held through a trust for the benefit of others and Mr. Brown therefore disclaims beneficial ownership of these common shares. In addition, Mr. Brown acts as the settlor of a trust that is the owner of Leyton Limited, and Leyton Limited is the record holder of 80,000 common shares of the Issuer which were purchased through the Directed Share Program in connection with the initial public offering of common shares of the Issuer, as well as 2,435 common shares of the Issuer which were paid to Leyton Limited from Haverford (Bermuda) Ltd on November 12, 2008 as a dividend in specie. Mr. Brown disclaims beneficial ownership of the shares held by Leyton Limited. Mr. Brown directly holds 10,000 common shares. Mr. Brown has an interest in 480,000 common shares, representing Performance Share Units ("PSUs") which will vest, subject to certain contingencies as set out in the Issuer's PSU Plan, on December 31, 2008. Vesting of the PSUs is contingent upon the Issuer meeting certain fully diluted return-on-equity ("FDROE") goals. Upon vesting, Mr. Brown shall be entitled to receive a number of common shares of the Issuer (or the cash equivalent, at the election of the Issuer) which is based on the Issuer's FDROE during the vesting period. 480,000 shares assumes a maximum FDROE, which may not ultimately be achieved by the Issuer.

(b) Percent of class*:

3.36%

Haverford (Bermuda)
Ltd:

Mark J. Byrne 11.62%

David A. Brown 0.92%

* Based on 84,685,896 outstanding common shares, which is the total number of shares issued and outstanding as reported in the Issuer's Quarterly Report on Form 10-Q for the quarter ended September 30, 2008.

(c) Number of shares to which the person has:

(i) Sole Voting Power:

Haverford (Bermuda) Ltd.: 2,842,409

Mark J. Byrne*: 0

David A. Brown**: 490,000

(ii) Shared Voting Power:

Haverford (Bermuda) Ltd.: 0

Mark J. Byrne*: 9,838,795

David A. Brown**: 291,205

(iii) Sole Dispositive Power:

Haverford (Bermuda) Ltd.: 2,842,409

Mark J. Byrne*: 0

David A. Brown**: 490,000

(iv) Shared Dispositive Power:

Haverford (Bermuda) Ltd.: 0

Mark J. Byrne*: 9,838,795

David A. Brown**: 291,205

* Mr. Byrne has provided capital to Haverford (Bermuda) Ltd., and he may be deemed to have investment or voting control and may be deemed to beneficially own 2,633,639 common shares of the Issuer held of record by Haverford (Bermuda) Ltd. These shares represent the indirect proportionate interest of Mr. Byrne in the 2,842,409 common shares of the Issuer held of record by Haverford (Bermuda) Ltd. These shares are held through a trust for the benefit of others and Mr. Byrne therefore disclaims beneficial ownership of these common shares. IAL FSR Limited owns 7,155,156 common shares of the Issuer, which it holds for the benefit of a company which is owned by a trust for which Mr. Byrne acts as the settlor. Mr. Byrne disclaims beneficial ownership of these shares. Rebecca Byrne, Mr. Byrne's wife, is the record holder of 50,000 common shares of the Issuer which were purchased through the Directed Share Program in connection with the initial public offering of common shares of the Issuer. Mr. Byrne disclaims beneficial ownership of these shares.

** Mr. Brown has provided capital to Haverford (Bermuda) Ltd., and he may be deemed to have investment or voting control and may be deemed to beneficially own 208,770 common shares of the Issuer held of record by Haverford (Bermuda) Ltd. These common shares represent the indirect proportionate interest of Mr. Brown in the 2,842,409 common shares of the Issuer held of record by Haverford (Bermuda) Ltd. These common shares are held through a trust for the benefit of others and Mr. Brown therefore disclaims beneficial ownership of these common shares. In addition, Mr. Brown acts as the settlor of a trust that is the owner of Leyton Limited, and Leyton Limited is the record holder of 80,000 common shares of the Issuer which were purchased through the Directed Share Program in connection with the initial public offering of common shares of the Issuer, as well as 2,435 common shares of the Issuer which were paid to Leyton Limited from Haverford (Bermuda) Ltd on November 12, 2008 as a dividend in specie. Mr. Brown disclaims beneficial ownership of the shares held by Leyton Limited. Mr. Brown directly holds 10,000 common shares. Mr. Brown has an interest in 480,000 common shares, representing Performance Share Units (“PSUs”) which will vest, subject to certain contingencies as set out in the Issuer’s PSU Plan, on December 31, 2008. Vesting of the PSUs is contingent upon the Issuer meeting certain fully diluted return-on-equity (“FDROE”) goals. Upon vesting, Mr. Brown shall be entitled to receive a number of common shares of the Issuer (or the cash equivalent, at the election of the Issuer) which is based on the Issuer’s FDROE during the vesting period. 480,000 shares assumes a maximum FDROE, which may not ultimately be achieved by the Issuer.

Item 5. Ownership of Five Percent or Less of a Class.

This statement is being filed to report the fact that as of the date hereof, Haverford (Bermuda) Ltd. and David A. Brown have ceased to be the beneficial owner of more than five percent of the class of securities.

Item 6. Ownership of More than Five Percent on Behalf of Another Person.

Collateralized Mortgage Obligations (59.4%)

Commercial Mortgage-Backed Securities Non-Agency (0.7%)

1,972,403

DBRR Trust, (11-LC2-AC4), (144A), 4.537%, due 07/12/44 ⁽¹⁾⁽²⁾

2,067,630

See accompanying notes to financial statements.

TCW Strategic Income Fund, Inc.

Schedule of Investments (Unaudited) (Continued)

| Principal | | |
|--|--|-------------------|
| Amount | Fixed Income Securities | Value |
| Collateralized Mortgage Obligations (Continued) | | |
| Residential Mortgage-Backed Securities Agency (4.1%) | | |
| \$ 425,077 | Federal Home Loan Mortgage Corp., (1673-SD), 15.232%, due 02/15/24 (I/F) (PAC) ⁽¹⁾⁽³⁾ | \$ 530,504 |
| 917,865 | Federal Home Loan Mortgage Corp., (1760-ZD), 1.43%, due 02/15/24 ⁽¹⁾⁽³⁾ | 930,829 |
| 265,751 | Federal Home Loan Mortgage Corp., (2990-JK), 21.234%, due 03/15/35 (I/F) ⁽¹⁾⁽³⁾ | 362,032 |
| 7,471,509 | Federal Home Loan Mortgage Corp., (3122-SG), 5.438%, due 03/15/36 (I/O) (I/F) (TAC) (PAC) ⁽¹⁾⁽³⁾ | 1,102,684 |
| 3,114,138 | Federal Home Loan Mortgage Corp., (3239-SI), 6.458%, due 11/15/36 (I/O) (PAC) ⁽¹⁾⁽³⁾ | 453,354 |
| 1,768,305 | Federal Home Loan Mortgage Corp., (3323-SA), 5.918%, due 05/15/37 (I/O) (I/F) ⁽¹⁾⁽³⁾ | 182,431 |
| 1,461,836 | Federal Home Loan Mortgage Corp., (3459-JS), 6.058%, due 06/15/38 (I/O) (I/F) ⁽¹⁾⁽³⁾ | 168,483 |
| 5,555,982 | Federal Home Loan Mortgage Corp., (4030-HS), 6.418%, due 04/15/42 (I/O) ⁽¹⁾⁽³⁾ | 794,775 |
| 8,922,504 | Federal National Mortgage Association, (04-53-QV), 1.59%, due 02/25/34 (I/O) (I/F) ⁽¹⁾⁽³⁾ | 273,161 |
| 1,419,735 | Federal National Mortgage Association, (07-42-SE), 5.917%, due 05/25/37 (I/O) (I/F) ⁽¹⁾⁽³⁾ | 117,202 |
| 8,991,872 | Federal National Mortgage Association, (07-48-SD), 5.907%, due 05/25/37 (I/O) (I/F) ⁽¹⁾⁽³⁾ | 1,352,827 |
| 1,806,774 | Federal National Mortgage Association, (09-69-CS), 6.557%, due 09/25/39 (I/O) (I/F) ⁽¹⁾⁽³⁾ | 254,766 |
| 2,585,634 | Federal National Mortgage Association, (10-112-PI), 6%, due 10/25/40 (I/O) ⁽³⁾ | 362,472 |
| 2,179,754 | Federal National Mortgage Association, (10-99-NI), 6%, due 09/25/40 (I/O) ⁽³⁾ | 301,810 |
| 8,153,282 | Government National Mortgage Association, (06-35-SA), 6.408%, due 07/20/36 (I/O) (I/F) ⁽¹⁾⁽³⁾ | 1,276,233 |
| 14,703,747 | Government National Mortgage Association, (06-61-SA), 4.558%, due 11/20/36 (I/O) (I/F) (TAC) ⁽¹⁾⁽³⁾ | 1,328,625 |
| 8,747,548 | Government National Mortgage Association, (08-58-TS), 6.208%, due 05/20/38 (I/O) (I/F) (TAC) ⁽¹⁾⁽³⁾ | 1,333,264 |
| | Total Residential Mortgage-Backed Securities Agency | 11,125,452 |
| Residential Mortgage-Backed Securities Non-Agency (54.6%) | | |
| 2,315,739 | ACE Securities Corp., (06-ASP3-A2C), 0.343%, due 06/25/36 ⁽¹⁾ | 1,339,863 |
| 2,093,388 | ACE Securities Corp., (07-ASP1-A2C), 0.453%, due 03/25/37 ⁽¹⁾ | 1,182,019 |
| 2,107,920 | Adjustable Rate Mortgage Trust, (05-4-6A22), 2.846%, due 08/25/35 ⁽¹⁾ | 898,320 |
| 1,198,099 | Adjustable Rate Mortgage Trust, (06-1-2A1), 3.218%, due 03/25/36 ⁽¹⁾⁽⁶⁾ | 785,397 |
| 2,200,000 | Asset-Backed Funding Certificates, (05-HE2-M2), 0.943%, due 06/25/35 ⁽¹⁾ | 2,129,647 |
| 3,000,000 | Asset-Backed Securities Corp. Home Equity, (06-HE3-A5), 0.463%, due 03/25/36 ⁽¹⁾ | 1,465,032 |
| 3,100,000 | Asset-Backed Securities Corp. Home Equity, (07-HE1-A4), 0.333%, due 12/25/36 ⁽¹⁾ | 2,022,105 |
| 1,190,364 | Banc of America Funding Trust, (06-3-4A14), 5.5%, due 03/25/36 | 1,157,684 |
| 1,648,734 | Banc of America Funding Trust, (06-3-4A14), 6%, due 03/25/36 | 1,634,750 |
| 1,185,101 | BCAP LLC Trust, (09-RR4-1A1), (144A), 9.5%, due 06/26/37 ⁽²⁾ | 1,267,774 |
| 1,505,941 | BCAP LLC Trust, (10-RR11-3A2), (144A), 2.899%, due 06/27/36 ⁽¹⁾⁽²⁾ | 1,513,583 |
| 1,291,819 | BCAP LLC Trust, (11-RR3-1A5), (144A), 2.871%, due 05/27/37 ⁽¹⁾⁽²⁾ | 1,297,488 |

See accompanying notes to financial statements.

TCW Strategic Income Fund, Inc.

June 30, 2013

Principal

| Amount | Fixed Income Securities | Value |
|--------------|---|--------------|
| | Collateralized Mortgage Obligations (Continued) | |
| | Residential Mortgage-Backed Securities Non-Agency (Continued) | |
| \$ 1,837,898 | BCAP LLC Trust, (11-RR3-5A3), (144A), 5.094%, due 11/27/37 ⁽¹⁾⁽²⁾ | \$ 1,779,344 |
| 919,466 | BCAP LLC Trust, (11-RR4-1A3), (144A), 2.868%, due 03/26/36 ⁽¹⁾⁽²⁾ | 902,044 |
| 1,074,916 | BCAP LLC Trust, (11-RR5-1A3), (144A), 2.716%, due 03/26/37 ⁽¹⁾⁽²⁾ | 1,034,902 |
| 685,532 | BCAP LLC Trust, (11-RR5-2A3), (144A), 2.854%, due 06/26/37 ⁽¹⁾⁽²⁾ | 684,409 |
| 1,744,854 | Bear Stearns Adjustable Rate Mortgage Trust, (07-4-22A1), 5.252%, due 06/25/47 ⁽¹⁾⁽⁶⁾ | 1,514,812 |
| 1,187,404 | Bear Stearns Asset-Backed Securities Trust, (05-AC6-1A3), 5.5%, due 09/25/35 ⁽¹⁾ | 1,194,105 |
| 1,005,536 | Bear Stearns Asset-Backed Securities Trust, (06-IM1-A1), 0.423%, due 04/25/36 ⁽¹⁾⁽⁶⁾ | 676,966 |
| 455,990 | Centex Home Equity Loan Trust, (05-A-AF5), 5.28%, due 01/25/35 | 469,299 |
| 3,100,000 | Centex Home Equity Loan Trust, (06-A-AV4), 0.443%, due 06/25/36 ⁽¹⁾ | 2,761,554 |
| 3,282,408 | Citigroup Mortgage Loan Trust, Inc., (05-8-1A1A), 2.795%, due 10/25/35 ⁽¹⁾ | 2,678,995 |
| 2,508,552 | CitiMortgage Alternative Loan Trust, (06-A3-1A7), 6%, due 07/25/36 ⁽⁶⁾ | 2,202,297 |
| 1,441,818 | CitiMortgage Alternative Loan Trust, (06-A5-1A8), 6%, due 10/25/36 ⁽⁶⁾ | 1,177,089 |
| 599,692 | Conseco Finance Securitizations Corp., (01-4-A4), 7.36%, due 08/01/32 | 641,184 |
| 1,200,000 | Countryplace Manufactured Housing Contract Trust, (07-1-A4), (144A), 5.846%, due 07/15/37 ⁽¹⁾⁽²⁾ | 1,211,296 |
| 1,586,860 | Countrywide Asset-Backed Certificates, (07-13-2A1), 1.093%, due 10/25/47 ⁽¹⁾⁽³⁾ | 1,337,940 |
| 2,037,543 | Countrywide Home Loans, (04-HYB4-B1), 2.609%, due 09/20/34 ⁽¹⁾ | 197,423 |
| 84,198,440 | Countrywide Home Loans, (06-14-X), 0.3%, due 09/25/36 (I/O) ⁽¹⁾⁽³⁾⁽⁷⁾ | 905,681 |
| 2,760,843 | Countrywide Home Loans, (06-HYB2-1A1), 2.988%, due 04/20/36 ⁽¹⁾⁽⁶⁾ | 1,847,823 |
| 656,983 | Credit Suisse First Boston Mortgage Securities Corp., (04-AR5-11A2), 0.933%, due 06/25/34 ⁽¹⁾ | 633,125 |
| 2,315,011 | Credit Suisse First Boston Mortgage Securities Corp., (05-12-1A1), 6.5%, due 01/25/36 ⁽⁶⁾ | 1,917,843 |
| 1,602,870 | Credit Suisse Mortgage Capital Certificates, (06-6-1A8), 6%, due 07/25/36 ⁽⁶⁾ | 1,211,951 |
| 1,233,285 | Credit-Based Asset Servicing and Securitization LLC, (03-CB3-AF1), 3.379%, due 12/25/32 ⁽³⁾ | 1,188,424 |
| 2,027,445 | Credit-Based Asset Servicing and Securitization LLC, (06-CB1-AF2), 3.875%, due 01/25/36 | 1,286,065 |
| 3,281,585 | Credit-Based Asset Servicing and Securitization LLC, (06-CB2-AF2), 4.078%, due 12/25/36 | 2,155,864 |
| 1,426,212 | Credit-Based Asset Servicing and Securitization LLC, (07-CB2-A2B), 5.146%, due 02/25/37 | 1,141,577 |
| 1,980,749 | Credit-Based Asset Servicing and Securitization LLC, (07-CB3-A3), 4.522%, due 03/25/37 | 1,131,900 |
| 4,417,759 | Deutsche Alt-A Securities, Inc. Mortgage Loan Trust, (06-AB2-A2), 6.16%, due 06/25/36 ⁽¹⁾⁽⁶⁾ | 3,277,308 |
| 1,779,273 | Deutsche Alt-A Securities, Inc. Mortgage Loan Trust, (06-AR6-A6), 0.383%, due 02/25/37 ⁽¹⁾⁽⁶⁾ | 1,165,355 |
| 429,929 | DSL A Mortgage Loan Trust, (06-AR2-2A1A), 0.462%, due 10/19/36 ⁽¹⁾ | 349,275 |
| 1,981,141 | First Franklin Mortgage Loan Asset-Backed Certificates, (06-FF13-A2C), 0.353%, due 10/25/36 ⁽¹⁾ | 1,312,191 |
| 2,318,847 | First Franklin Mortgage Loan Asset-Backed Certificates, (06-FF18-A2D), 0.403%, due 12/25/37 ⁽¹⁾ | 1,334,499 |

See accompanying notes to financial statements.

TCW Strategic Income Fund, Inc.

Schedule of Investments (Unaudited) (Continued)

| Principal | | |
|--------------|--|--------------|
| Amount | Fixed Income Securities | Value |
| | Collateralized Mortgage Obligations (Continued) | |
| | Residential Mortgage-Backed Securities Non-Agency (Continued) | |
| \$ 2,047,318 | Green Tree, (08-MH1-A2), (144A), 8.97%, due 04/25/38 ⁽¹⁾⁽²⁾ | \$ 2,298,780 |
| 870,132 | Green Tree, (08-MH1-A3), (144A), 8.97%, due 04/25/38 ⁽¹⁾⁽²⁾ | 963,254 |
| 750,000 | Green Tree Financial Corp., (96-6-M1), 7.95%, due 09/15/27 | 839,731 |
| 1,085,266 | Green Tree Financial Corp., (96-7-M1), 7.7%, due 09/15/26 ⁽¹⁾ | 1,170,743 |
| 797,426 | Green Tree Financial Corp., (97-3-A5), 7.14%, due 03/15/28 | 864,419 |
| 330,583 | Green Tree Financial Corp., (97-3-A7), 7.64%, due 03/15/28 ⁽¹⁾ | 362,251 |
| 726,287 | Green Tree Financial Corp., (98-3-A6), 6.76%, due 03/01/30 ⁽¹⁾ | 770,062 |
| 829,195 | Green Tree Financial Corp., (98-4-A5), 6.18%, due 04/01/30 | 861,906 |
| 709,067 | Green Tree Financial Corp., (98-4-A6), 6.53%, due 04/01/30 ⁽¹⁾ | 742,041 |
| 750,818 | Green Tree Financial Corp., (98-4-A7), 6.87%, due 04/01/30 ⁽¹⁾ | 800,854 |
| 733,766 | Greenpoint Manufactured Housing, (99-5-A5), 7.82%, due 12/15/29 ⁽¹⁾ | 766,592 |
| 341,846 | Greenpoint Mortgage Funding Trust, (05-HE4-1A1), 0.633%, due 07/25/30 ⁽¹⁾ | 331,633 |
| 2,521,006 | GSAA Home Equity Trust, (06-13-AF6), 6.04%, due 07/25/36 | 1,708,541 |
| 1,676,527 | GSAMP Trust, (06-FM3-A2C), 0.393%, due 11/25/36 ⁽¹⁾ | 902,742 |
| 1,146,097 | GSC Capital Corp. Mortgage Trust, (06-2-A1), 0.373%, due 05/25/36 ⁽¹⁾⁽⁶⁾ | 777,636 |
| 1,097,384 | GSR Mortgage Loan Trust, (05-AR3-6A1), 2.816%, due 05/25/35 ⁽¹⁾ | 979,956 |
| 186,586 | HSBC Home Equity Loan Trust USA, (05-2-M1), 0.652%, due 01/20/35 ⁽¹⁾ | 184,386 |
| 1,000,000 | HSI Asset Securitization Corp. Trust, (06-OPT2-2A4), 0.483%, due 01/25/36 ⁽¹⁾ | 927,032 |
| 1,775,998 | Indymac Index Mortgage Loan Trust, (05-AR19-A1), 4.916%, due 10/25/35 ⁽¹⁾ | 1,493,344 |
| 4,170,793 | Indymac Index Mortgage Loan Trust, (06-AR13-A4X), 4.228%, due 07/25/36 (I/O) ⁽¹⁾⁽⁷⁾ | 176,812 |
| 2,398,266 | Indymac Index Mortgage Loan Trust, (07-AR5-2A1), 2.785%, due 05/25/37 ⁽¹⁾⁽⁶⁾ | 1,679,950 |
| 2,051,624 | Indymac Index Mortgage Loan Trust, (07-FLX2-A1C), 0.383%, due 04/25/37 ⁽¹⁾ | 1,379,534 |
| 525,265 | Indymac Manufactured Housing Contract, (98-2-A4), 6.64%, due 08/25/29 ⁽¹⁾ | 523,023 |
| 1,226,808 | JPMorgan Alternative Loan Trust, (06-A2-5A1), 5.249%, due 05/25/36 ⁽¹⁾⁽⁶⁾ | 902,594 |
| 631,494 | JPMorgan Mortgage Trust, (07-S2-1A1), 5%, due 06/25/37 ⁽⁶⁾ | 500,558 |
| 656,287 | Lehman ABS Manufactured Housing Contract Trust, (01-B-A6), 6.467%, due 04/15/40 ⁽¹⁾ | 721,978 |
| 2,263,869 | Lehman XS Trust, (06-10N-1A3A), 0.403%, due 07/25/46 ⁽¹⁾⁽⁶⁾ | 1,679,770 |
| 3,231,250 | Lehman XS Trust, (06-12N-A31A), 0.393%, due 08/25/46 ⁽¹⁾⁽⁶⁾ | 2,133,420 |
| 1,700,000 | Long Beach Mortgage Loan Trust, (04-4-M1), 1.093%, due 10/25/34 ⁽¹⁾⁽³⁾ | 1,568,938 |
| 2,090,909 | MASTR Alternative Loans Trust, (07-HF1-4A1), 7%, due 10/25/47 ⁽⁶⁾ | 1,565,649 |
| 1,458,434 | Merrill Lynch First Franklin Mortgage Loan Trust, (07-3-A2B), 0.323%, due 06/25/37 ⁽¹⁾ | 1,001,030 |
| 2,450,000 | Merrill Lynch First Franklin Mortgage Loan Trust, (07-3-A2C), 0.373%, due 06/25/37 ⁽¹⁾ | 1,416,752 |
| 3,054,008 | Merrill Lynch First Franklin Mortgage Loan Trust, (07-5-2A2), 1.193%, due 10/25/37 ⁽¹⁾ | 2,374,334 |
| 1,145,409 | Merrill Lynch Mortgage-Backed Securities Trust, (07-2-1A1), 2.574%, due 08/25/36 ⁽¹⁾⁽⁶⁾ | 984,625 |
| 672,714 | Mid-State Trust, (04-1-B), 8.9%, due 08/15/37 | 841,216 |
| 672,714 | Mid-State Trust, (04-1-M1), 6.497%, due 08/15/37 | 773,718 |
| 320,063 | Mid-State Trust, (6-A1), 7.34%, due 07/01/35 | 349,013 |
| 502,059 | Mid-State Trust, (6-A3), 7.54%, due 07/01/35 | 543,863 |
| 1,422,769 | Morgan Stanley ABS Capital I, Inc. Trust, (03-NC6-M1), 1.393%, due 06/25/33 ⁽¹⁾ | 1,367,346 |
| 260,487 | Morgan Stanley ABS Capital I, Inc. Trust, (05-HE3-M2), 0.713%, due 07/25/35 ⁽¹⁾ | 257,363 |
| 1,500,000 | Morgan Stanley ABS Capital I, Inc. Trust, (05-HE3-M3), 0.723%, due 07/25/35 ⁽¹⁾ | 1,356,427 |
| 1,827,861 | Morgan Stanley ABS Capital I, Inc. Trust, (07-15AR-4A1), 4.613%, due 11/25/37 ⁽¹⁾⁽⁶⁾ | 1,315,786 |

See accompanying notes to financial statements.

TCW Strategic Income Fund, Inc.

June 30, 2013

| Principal | | |
|--|---|--------------|
| Amount | Fixed Income Securities | Value |
| Collateralized Mortgage Obligations (Continued) | | |
| Residential Mortgage-Backed Securities Non-Agency (Continued) | | |
| \$ 1,373,686 | MortgageIT Trust, (05-5-A1), 0.453%, due 12/25/35 ⁽¹⁾ | \$ 1,220,304 |
| 3,000,000 | Nationstar Home Equity Loan Trust, (07-B-2AV3), 0.443%, due 04/25/37 ⁽¹⁾ | 1,875,962 |
| 1,280,000 | New Century Home Equity Loan Trust, (05-3-M1), 0.673%, due 07/25/35 ⁽¹⁾ | 1,257,849 |
| 2,520,564 | Nomura Asset Acceptance Corp., (06-AR1-1A), 3.454%, due 02/25/36 ⁽¹⁾⁽⁶⁾ | 1,728,321 |
| 2,922,740 | Novastar Home Equity Loan, (06-2-A2C), 0.343%, due 06/25/36 ⁽¹⁾ | 1,704,592 |
| 536,010 | Oakwood Mortgage Investors, Inc., (01-D-A3), 5.9%, due 09/15/22 ⁽¹⁾ | 416,482 |
| 876,502 | Oakwood Mortgage Investors, Inc., (01-D-A4), 6.93%, due 09/15/31 ⁽¹⁾ | 744,554 |
| 711,127 | Oakwood Mortgage Investors, Inc., (02-A-A3), 6.03%, due 05/15/24 ⁽¹⁾ | 758,461 |
| 1,032,070 | Oakwood Mortgage Investors, Inc., (98-A-M), 6.825%, due 05/15/28 ⁽¹⁾ | 1,136,699 |
| 409,947 | Oakwood Mortgage Investors, Inc., (98-D-A), 6.4%, due 01/15/29 | 417,436 |
| 755,868 | Oakwood Mortgage Investors, Inc., (99-B-A4), 6.99%, due 12/15/26 | 823,924 |
| 843,718 | Origen Manufactured Housing Contract Trust, (04-A-M2), 6.64%, due 01/15/35 ⁽¹⁾ | 930,074 |
| 698,880 | Origen Manufactured Housing Contract Trust, (05-A-M1), 5.46%, due 06/15/36 ⁽¹⁾ | 734,493 |
| 1,810,000 | Park Place Securities, Inc., (05-WCW1-M1), 0.643%, due 09/25/35 ⁽¹⁾ | 1,678,038 |
| 1,056,171 | Popular ABS Mortgage Pass-Through Trust, (05-3-AF4), 4.776%, due 07/25/35 ⁽¹⁾ | 1,085,578 |
| 2,280,109 | Residential Accredit Loans, Inc., (05-QA7-A1), 3.249%, due 07/25/35 ⁽¹⁾⁽⁶⁾ | 1,606,644 |
| 1,605,033 | Residential Accredit Loans, Inc., (05-QA8-CB21), 3.45%, due 07/25/35 ⁽¹⁾ | 1,282,024 |
| 1,362,443 | Residential Accredit Loans, Inc., (06-Q07-2A1), 1.018%, due 09/25/46 ⁽¹⁾⁽⁶⁾ | 845,512 |
| 1,421,055 | Residential Accredit Loans, Inc., (06-QS1-A3), 5.75%, due 01/25/36 (PAC) ⁽⁶⁾ | 1,242,822 |
| 32,719,210 | Residential Accredit Loans, Inc., (06-QS11-AV), 0.329%, due 08/25/36 (I/O) ⁽¹⁾⁽⁷⁾ | 463,222 |
| 16,175,547 | Residential Accredit Loans, Inc., (06-QS6-1AV), 0.732%, due 06/25/36 (I/O) ⁽¹⁾⁽⁷⁾ | 507,144 |
| 3,128,677 | Residential Accredit Loans, Inc., (06-QS8-A3), 6%, due 08/25/36 ⁽⁶⁾ | 2,458,273 |
| 35,999,619 | Residential Accredit Loans, Inc., (07-QS2-AV), 0.315%, due 01/25/37 (I/O) ⁽¹⁾⁽⁷⁾ | 517,819 |
| 36,438,389 | Residential Accredit Loans, Inc., (07-QS3-AV), 0.318%, due 02/25/37 (I/O) ⁽¹⁾⁽⁷⁾ | 520,716 |
| 887,741 | Residential Accredit Loans, Inc., (07-QS6-A62), 5.5%, due 04/25/37 (TAC) ⁽⁶⁾ | 690,011 |
| 6,075,424 | Residential Asset Securitization Trust, (07-A5-AX), 6%, due 05/25/37 (I/O) ⁽⁷⁾ | 891,260 |
| 109,271,561 | Residential Funding Mortgage Securities, (06-S9-AV), 0.306%, due 09/25/36 (I/O) ⁽¹⁾⁽⁷⁾ | 1,130,141 |
| 434,114 | Residential Funding Mortgage Securities II, (01-HI3-AI7), 7.56%, due 07/25/26 | 441,139 |
| 2,761,093 | Securitized Asset-Backed Receivables LLC Trust, (07-BR4-A2C), 0.483%, due 05/25/37 ⁽¹⁾ | 1,543,452 |
| 4,614,000 | Securitized Asset-Backed Receivables LLC Trust, (07-NC2-A2C), 0.413%, due 01/25/37 ⁽¹⁾ | 2,492,161 |
| 1,329,458 | Structured Adjustable Rate Mortgage Loan Trust, (05-20-1A1), 2.669%, due 10/25/35 ⁽¹⁾⁽⁶⁾ | 914,699 |
| 1,084,969 | Structured Adjustable Rate Mortgage Loan Trust, (07-9-2A1), 5.981%, due 10/25/47 ⁽¹⁾⁽⁶⁾ | 742,898 |
| 1,333,481 | Structured Asset Mortgage Investments, Inc., (07-AR6-A1), 1.668%, due 08/25/47 ⁽¹⁾ | 1,055,293 |
| 1,000,000 | Structured Asset Securities Corp., (05-WF4-M2), 0.623%, due 11/25/35 ⁽¹⁾ | 901,114 |
| 313,852 | UCFC Manufactured Housing Contract, (97-4-A4), 6.995%, due 04/15/29 ⁽¹⁾ | 320,858 |
| 615,292 | Vanderbilt Acquisition Loan Trust, (02-1-A4), 6.57%, due 05/07/27 ⁽¹⁾ | 644,075 |
| 464,035 | Vanderbilt Acquisition Loan Trust, (02-1-M1), 7.33%, due 05/07/32 ⁽¹⁾ | 519,500 |
| 1,209,076 | Vanderbilt Mortgage Finance, (00-C-ARM), 0.543%, due 10/07/30 ⁽¹⁾ | 987,604 |
| 760,931 | Vanderbilt Mortgage Finance, (01-A-M1), 7.74%, due 04/07/31 ⁽¹⁾ | 784,693 |
| 438,231 | Vanderbilt Mortgage Finance, (01-C-M1), 6.76%, due 01/07/32 | 443,470 |

See accompanying notes to financial statements.

TCW Strategic Income Fund, Inc.

Schedule of Investments (Unaudited) (Continued)

| Principal | | |
|--|---|--------------------|
| Amount | Fixed Income Securities | Value |
| Collateralized Mortgage Obligations (Continued) | | |
| Residential Mortgage-Backed Securities Non-Agency (Continued) | | |
| \$ 900,000 | Vanderbilt Mortgage Finance, (02-C-A5), 7.6%, due 12/07/32 ⁽³⁾ | \$ 957,971 |
| 3,410,630 | WAMU Asset-Backed Certificates, (07-HE1-2A3), 0.343%, due 01/25/37 ⁽¹⁾ | 1,813,357 |
| 1,500,000 | Wells Fargo Home Equity Trust, (06-2-A4), 0.443%, due 07/25/36 ⁽¹⁾ | 1,326,823 |
| 1,542,912 | Wells Fargo Mortgage-Backed Securities Trust, (06-AR10-5A1), 2.613%, due 07/25/36 ⁽¹⁾⁽⁶⁾ | 1,363,526 |
| 1,398,176 | Wells Fargo Mortgage-Backed Securities Trust, (07-AR3-A4), 5.696%, due 04/25/37 ⁽¹⁾⁽⁶⁾ | 1,315,073 |
| Total Residential Mortgage-Backed Securities Non-Agency | | 148,411,865 |
| Total Collateralized Mortgage Obligations (Cost: \$145,371,440) | | 161,604,947 |
| Bank Loans (1.3%) | | |
| Electric (0.9%) | | |
| 1,172,947 | Mach Gen, LLC, Second Lien Term Loan, 22.6%, due 02/20/15 ⁽⁸⁾ | 752,152 |
| 2,500,000 | TXU U.S. Holdings Co., Extended First Lien Term Loan, 11%, due 10/10/17 ⁽⁸⁾ | 1,751,100 |
| Total Electric | | 2,503,252 |
| Telecommunications (0.4%) | | |
| 982,563 | Intelsat Jackson Holdings, Ltd., Term Loan, 6.1%, due 04/02/18 ⁽⁸⁾ | 985,879 |
| Total Bank Loans (Cost: \$3,687,326) | | 3,489,131 |
| Corporate Bonds (14.8%) | | |
| Airlines (2.3%) | | |
| 1,804,979 | Continental Airlines, Inc. Pass-Through Certificates, (00-2-A1), 7.707%, due 10/02/22(EETC) | 2,010,295 |
| 829,285 | Delta Air Lines, Inc. Pass-Through Certificates, (02-1G1), 6.718%, due 07/02/24(EETC) | 908,067 |
| 1,000,000 | JetBlue Airways Corp. Pass-Through Trust, (04-2-G2), 0.725%, due 05/15/18 (EETC) ⁽¹⁾ | 903,750 |
| 783,795 | US Airways Group, Inc. Pass-Through Certificates, (10-1A), 6.25%, due 10/22/24(EETC) | 836,702 |
| 1,500,000 | US Airways Group, Inc. Pass-Through Trust, (12-2B), 6.75%, due 12/03/22(EETC) | 1,567,500 |
| Total Airlines | | 6,226,314 |
| Banks (2.8%) | | |
| 1,400,000 | Chase Capital III, 0.825%, due 03/01/27 ⁽¹⁾ | 1,161,455 |
| 2,000,000 | Citigroup, Inc., 0.823%, due 08/25/36 ⁽¹⁾ | 1,628,686 |
| 1,000,000 | HBOS PLC (United Kingdom), (144A), 6%, due 11/01/33 ⁽²⁾ | 875,000 |
| 400,000 | JPMorgan Chase Capital XXI, 1.223%, due 01/15/87 ⁽¹⁾ | 300,005 |
| 1,000,000 | JPMorgan Chase Capital XXIII, 1.275%, due 05/15/77 ⁽¹⁾ | 759,219 |
| 650,000 | Lloyds TSB Bank PLC (United Kingdom), (144A), 5.8%, due 01/13/20 ⁽²⁾ | 732,394 |
| 908,000 | Macquarie Bank, Ltd. (Australia), (144A), 6.625%, due 04/07/21 ⁽²⁾ | 962,224 |
| 1,200,000 | Royal Bank of Scotland Group PLC (United Kingdom), 6.125%, due 12/15/22 | 1,144,218 |

| | | |
|---------|---|-----------|
| | Total Banks | 7,563,201 |
| 675,000 | Coal (0.2%) Arch Coal, Inc., 7%, due 06/15/19 | 567,000 |

See accompanying notes to financial statements.

TCW Strategic Income Fund, Inc.

June 30, 2013

| Principal | | |
|------------------|---|------------------|
| Amount | Fixed Income Securities | Value |
| | Corporate Bonds (Continued) | |
| | Diversified Financial Services (0.9%) | |
| \$ 3,000,000 | General Electric Capital Corp., 0.755%, due 08/15/36 ⁽¹⁾⁽³⁾ | \$ 2,448,762 |
| | Electric (2.5%) | |
| 478,000 | AES Corp., 7.75%, due 10/15/15 | 521,916 |
| 1,250,000 | Astoria Depositor Corp., (144A), 8.144%, due 05/01/21 ⁽²⁾ | 1,237,500 |
| 2,250,000 | Dynegy Roseton/Danskammer Pass-Through Trust, Series B, 7.67%, due 11/08/16 (EETC) ⁽⁹⁾ | 56,250 |
| 650,000 | Edison Mission Energy, 7%, due 05/15/17 ⁽⁹⁾ | 368,063 |
| 1,000,000 | GenOn Americas Generation LLC, 9.125%, due 05/01/31 | 1,075,000 |
| 798,437 | Mirant Mid-Atlantic Pass-Through Certificates, Series B, 9.125%, due 06/30/17(EETC) | 882,272 |
| 1,169,153 | Mirant Mid-Atlantic Pass-Through Certificates, Series C, 10.06%, due 12/30/28(EETC) | 1,303,606 |
| 1,200,000 | PNM Resources, Inc., 9.25%, due 05/15/15 | 1,362,000 |
| | Total Electric | 6,806,607 |
| | Engineering & Construction (0.6%) | |
| 700,000 | Heathrow Funding, Ltd. (United Kingdom), (144A), 4.875%, due 07/15/23 ⁽²⁾ | 747,469 |
| 750,000 | Sydney Airport Finance Co. Pty, Ltd. (Australia), (144A), 5.125%, due 02/22/21 ⁽²⁾ | 787,222 |
| | Total Engineering & Construction | 1,534,691 |
| | Gas (1.0%) | |
| 1,190,000 | Sabine Pass LNG, LP, 7.5%, due 11/30/16 | 1,288,175 |
| 1,500,000 | Sabine Pass LNG, LP, (144A), 7.5%, due 11/30/16 ⁽²⁾ | 1,552,500 |
| | Total Gas | 2,840,675 |
| | Healthcare-Services (0.2%) | |
| 540,000 | CHS/Community Health Systems, Inc., 8%, due 11/15/19 | 577,800 |
| | Insurance (0.3%) | |
| 715,000 | ZFS Finance USA Trust II, (144A), 6.45%, due 12/15/65 ⁽¹⁾⁽²⁾ | 770,413 |
| | Iron & Steel (0.3%) | |
| 800,000 | ArcelorMittal (Luxembourg), 6.75%, due 02/25/22 | 828,080 |
| | Oil & Gas (0.2%) | |
| 500,000 | Pacific Drilling V, Ltd., (144A), 7.25%, due 12/01/17 ⁽²⁾ | 522,500 |
| | Pharmaceuticals (0.3%) | |
| 750,000 | VPII Escrow Corp., (144A), 7.5%, due 07/15/21 ⁽²⁾ | 781,875 |
| | Pipelines (0.7%) | |

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| | | |
|---------------------------|---|-----------|
| 2,066,000 | Energy Transfer Partners LP, (144A), 3.292%, due 11/01/66 ⁽¹⁾⁽²⁾ | 1,869,730 |
| Real Estate (0.5%) | | |
| 1,375,000 | Post Apartment Homes, LP, 4.75%, due 10/15/17 | 1,483,177 |
| REIT (1.3%) | | |
| 1,000,000 | Health Care REIT, Inc., 6.125%, due 04/15/20 | 1,137,603 |
| 700,000 | Healthcare Realty Trust, Inc., 5.75%, due 01/15/21 | 765,417 |

See accompanying notes to financial statements.

TCW Strategic Income Fund, Inc.

Schedule of Investments (Unaudited) (Continued)

| Principal | | |
|------------|--|------------------------------------|
| Amount | Fixed Income Securities | Value |
| | Corporate Bonds (Continued) | |
| | REIT (Continued) | |
| \$ 500,000 | Healthcare Realty Trust, Inc., 6.5%, due 01/17/17 | \$ 559,446 |
| 950,000 | SL Green Realty Corp., 5%, due 08/15/18 | 1,020,754 |
| | Total REIT | 3,483,220 |
| | Trucking & Leasing (0.7%) | |
| 760,000 | AWAS Aviation Capital, Ltd., (144A), 7%, due 10/17/16 ⁽²⁾ | 794,200 |
| 1,000,000 | Maxim Crane Works LP, (144A), 12.25%, due 04/15/15 ⁽²⁾ | 1,055,000 |
| | Total Trucking & Leasing | 1,849,200 |
| | Total Corporate Bonds (Cost: \$38,598,731) | 40,153,245 |
| | Municipal Bonds (1.2%) | |
| 1,000,000 | California State Build America Bonds, 7.95%, due 03/01/36 | 1,187,710 |
| 1,200,000 | Illinois State Build America Bonds, 6.63%, due 02/01/35 | 1,238,856 |
| 765,000 | Illinois State General Obligation Bonds, 5.1%, due 06/01/33 | 710,654 |
| | Total Municipal Bonds (Cost: \$3,234,971) | 3,137,220 |
| | Total Fixed Income Securities (Cost: \$271,132,438) (107.0%) | 290,787,115 |
| | Number of Shares | Convertible Preferred Stock |
| | Electric (0.3%) | |
| 16,500 | AES Corp., \$3.375 | 830,280 |
| | Oil & Gas (0.3%) | |
| 8,200 | Chesapeake Energy Corp., \$5.00 | 709,874 |
| | Total Convertible Preferred Stock (Cost: \$1,473,300) (0.6%) | 1,540,154 |
| | Common Stock | |
| | Electric (0.4%) | |
| 52,104 | Dynegy, Inc. ⁽¹⁰⁾ | 1,174,945 |
| | Total Common Stock (Cost: \$1,832,723) (0.4%) | 1,174,945 |

| Principal Amount | Short Term Investments | |
|------------------|--|-----------|
| | Repurchase Agreement (Cost: \$1,568,714) (0.6%) | |
| \$ 1,568,714 | State Street Bank & Trust Company, 0.01%, due 07/01/13 (collateralized by \$1,685,000 Federal National Mortgage Association, 2.12%, due 11/07/22, valued at \$1,601,817) (Total Amount to be Received Upon Repurchase \$1,568,715) | 1,568,714 |

See accompanying notes to financial statements.

TCW Strategic Income Fund, Inc.

June 30, 2013

| Principal Amount | Short Term Investments | Value |
|------------------|---|----------------|
| | U.S. Treasury Security (Cost: \$1,144,867) (0.4%) | |
| \$ 1,145,000 | U.S. Treasury Bill, 0.081%, due 08/22/13 ⁽¹¹⁾ | \$ 1,144,867 |
| | Total Short-Term Investments (Cost \$2,713,581) (1.0%) | 2,713,581 |
| | TOTAL INVESTMENTS (Cost \$277,152,042) (109.0%) | 296,215,795 |
| | LIABILITIES IN EXCESS OF OTHER ASSETS (-9.0%) | (24,354,750) |
| | NET ASSETS (100.0%) | \$ 271,861,045 |

Futures Contracts Exchange Traded

| Number of Contracts | Type | Expiration Date | Notional Contract Value | Net Unrealized Appreciation (Depreciation) |
|---------------------|------------------------------------|-----------------|-------------------------|--|
| BUY | | | | |
| 61 | S&P 500 Index Futures | 09/19/13 | \$ 24,389,325 | \$ (424,423) |
| SELL | | | | |
| 12 | 10-Year U.S. Treasury Note Futures | 09/19/13 | \$ 1,518,750 | \$ 36,347 |
| 9 | 30-Year U.S. Treasury Note Futures | 09/19/13 | 1,222,594 | 44,061 |
| | | | \$ 2,741,344 | \$ 80,408 |

Notes to Schedule of Investments:

- (1) Floating or variable rate security. The interest shown reflects the rate in effect at June 30, 2013.
- (2) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold, normally to qualified institutional buyers. At June 30, 2013, the value of these securities amounted to \$75,225,371 or 27.7% of net assets. These securities are determined to be liquid by the Advisor, unless otherwise noted, under procedures established by and under the general supervision of the Fund's Board of Directors.
- (3) All or a portion of this security is segregated to cover open futures contracts, when issued, delayed delivery or forward commitments. (Note 1)
- (4) As of June 30, 2013, security is not accruing interest.
- (5) Investments issued under Regulation S of the Securities Act of 1933, may not be offered, sold, or delivered with in the United States except under special exemptions. At June 30, 2013, the value of these securities amounted to \$3,270,881 or 1.2% of net assets.
- (6) A portion of the principal balance has been written-off during the period due to defaults in the underlying loans.
- (7) Illiquid security.
- (8) Rate stated is the effective yield.
- (9) Security is currently in default due to bankruptcy or failure to make payment of principal or interest of the issuer. Income is not being accrued.
- (10) Non-income producing security.
- (11) Rate shown represents yield-to-maturity.

ABS - Asset-Backed Securities.

CDO - Collateralized Debt Obligation.

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CLO - Collateralized Loan Obligation.

EETC - Enhanced Equipment Trust Certificate.

I/F - Inverse Floating rate security whose interest rate moves in the opposite direction of prevailing interest rates.

I/O - Interest Only Security.

PAC - Planned Amortization Class.

REIT - Real Estate Investment Trust.

TAC - Target Amortization Class.

See accompanying notes to financial statements.

TCW Strategic Income Fund, Inc.
Investments by Industry (Unaudited)

June 30, 2013

| Industry | Percentage of Net Assets |
|---|-------------------------------------|
| Residential Mortgage-Backed Securities Non-Agency | 54.6% |
| Asset-Backed Securities | 30.3 |
| Residential Mortgage-Backed Securities Agency | 4.1 |
| Electric | 4.1 |
| Banks | 2.8 |
| Airlines | 2.3 |
| REIT | 1.3 |
| Municipal Bonds | 1.2 |
| Gas | 1.0 |
| Diversified Financial Services | 0.9 |
| Commercial Mortgage-Backed Securities Non-Agency | 0.7 |
| Trucking & Leasing | 0.7 |
| Pipelines | 0.7 |
| Engineering & Construction | 0.6 |
| Oil & Gas | 0.5 |
| Real Estate | 0.5 |
| Telecommunications | 0.4 |
| Insurance | 0.3 |
| Iron & Steel | 0.3 |
| Pharmaceuticals | 0.3 |
| Coal | 0.2 |
| Healthcare-Services | 0.2 |
| Short-Term Investments | 1.0 |
| Total | 109.0% |

See accompanying notes to financial statements.

TCW Strategic Income Fund, Inc.

Statement of Assets and Liabilities (Unaudited)

June 30, 2013

| | |
|---|-----------------------|
| ASSETS: | |
| Investments, at Value (Cost: \$277,152,042) | \$ 296,215,795 |
| Interest and Dividends Receivable | 1,427,102 |
| Receivable for Securities Sold | 543,614 |
| Total Assets | 298,186,511 |
| LIABILITIES: | |
| Payables for Borrowings | 19,162,000 |
| Distributions Payable | 4,673,322 |
| Payables for Securities Purchased | 1,178,680 |
| Payable for When-Issued Securities | 750,000 |
| Accrued Other Expenses | 169,917 |
| Accrued Investment Advisory Fees | 142,350 |
| Payable for Variation Margin on Open Financial Futures Contracts | 112,638 |
| Interest Payable on Borrowings | 100,574 |
| Accrued Directors Fees and Expenses | 33,660 |
| Accrued Compliance Expense | 2,325 |
| Total Liabilities | 26,325,466 |
| NET ASSETS | \$ 271,861,045 |
| NET ASSETS CONSIST OF: | |
| Common Stock, par value \$0.01 per share (75,000,000 shares authorized, 47,686,957 shares issued and outstanding) | \$ 476,870 |
| Paid-in Capital | 268,963,513 |
| Accumulated Net Realized Loss on Investments and Futures Contracts | (12,536,747) |
| Distributions in Excess of Net Investment Income | (3,762,329) |
| Net Unrealized Appreciation on Investments and Futures Contracts | 18,719,738 |
| NET ASSETS | \$ 271,861,045 |
| NET ASSET VALUE PER SHARE | \$ 5.70 |
| MARKET PRICE PER SHARE | \$ 5.54 |

See accompanying notes to financial statements.

TCW Strategic Income Fund, Inc.

Statement of Operations (Unaudited)

Six Months Ended June 30, 2013

| | |
|---|----------------------|
| INVESTMENT INCOME: | |
| Income | |
| Interest | \$ 8,578,483 |
| Dividends | 48,344 |
| Total Investment Income | 8,626,827 |
| Expenses | |
| Investment Advisory Fees | 873,686 |
| Interest Expense | 185,496 |
| Legal Fees | 72,868 |
| Audit and Tax Service Fees | 64,693 |
| Directors Fees and Expenses | 58,545 |
| Accounting Fees | 36,315 |
| Proxy Expense | 32,914 |
| Custodian Fees | 32,460 |
| Transfer Agent Fees | 25,881 |
| Listing Fees | 21,966 |
| Printing and Distribution Costs | 21,833 |
| Compliance Expense | 15,423 |
| Miscellaneous Expenses | 11,674 |
| Administration Fees | 7,151 |
| Insurance Expense | 6,687 |
| Total Expenses | 1,467,592 |
| Net Investment Income | 7,159,235 |
| NET REALIZED GAIN AND CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION) ON INVESTMENTS AND FUTURES CONTRACTS: | |
| Net Realized Gain on: | |
| Investments | 10,528,453 |
| Futures Contracts | 3,750,870 |
| Change in Unrealized Appreciation (Depreciation) on: | |
| Investments | (7,018,940) |
| Futures Contracts | (272,270) |
| Net Realized Gain and Change in Unrealized Appreciation on Investments and Futures Contracts | 6,988,113 |
| INCREASE IN NET ASSETS FROM OPERATIONS | \$ 14,147,348 |

See accompanying notes to financial statements.

TCW Strategic Income Fund, Inc.

Statements of Changes in Net Assets

| | Six Months Ended June 30, 2013 (Unaudited) | Year Ended December 31, 2012 |
|--|--|---------------------------------|
| OPERATIONS: | | |
| Net Investment Income | \$ 7,159,235 | \$ 20,473,531 |
| Net Realized Gain on Investments, Futures Contracts and Swap Agreements | 14,279,323 | 20,791,796 |
| Change in Unrealized Appreciation (Depreciation) on Investments, Futures Contracts and Swap Agreements | (7,291,210) | 16,126,895 |
| Increase in Net Assets Resulting from Operations | 14,147,348 | 57,392,222 |
| DISTRIBUTIONS TO SHAREHOLDERS: | | |
| From Net Investment Income | (9,344,236) | (26,004,198) |
| CAPITAL SHARE TRANSACTIONS: | | |
| Shares Issued in Reinvestment of Dividends (45,047 for the six months ended June 30, 2013 and 31,931 for the year ended December 31, 2012) | 259,919 | 182,967 |
| Total Increase in Net Assets | 5,063,031 | 31,570,991 |
| NET ASSETS: | | |
| Beginning of Period | 266,798,014 | 235,227,023 |
| End of Period | \$ 271,861,045 | \$ 266,798,014 |
| Distributions in Excess of Net Investment Income | \$ (3,762,329) | \$ (1,577,328) |

See accompanying notes to financial statements.

TCW Strategic Income Fund, Inc.

Statement of Cash Flows (Unaudited)

Six Months Ended June 30, 2013

| | |
|--|-----------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | |
| Net Increase in Net Assets From Operations | \$ 14,147,348 |
| Adjustments to Reconcile Increase in Net Assets Resulting From Operations to Net Cash Provided by Operating Activities: | |
| Investments Purchased | (70,645,249) |
| Proceeds from Investments Sold | 68,458,292 |
| Short-Term Investments, Net | (1,290,147) |
| Net Realized and Unrealized (Gain)/Loss on Investments | (3,509,513) |
| Net Amortization/Accretion of Premium/(Discount) | (202,823) |
| Changes in Assets and Liabilities: | |
| Increase in Interest and Dividends Receivable | 199,847 |
| Decrease in Accrued Directors Fees and Expenses | (600) |
| Decrease in Accrued Compliance Expense | (525) |
| Increase in Accrued Investment Advisory Fees | 1,034 |
| Increase in Variation Margin on Futures | 799,451 |
| Increase in Interest Payable on Borrowings | 82,435 |
| Decrease in Accrued Other Expenses | (60,148) |
| Net Cash Provided by Operating Activities | 7,979,402 |
| CASH FLOWS USED IN FINANCING ACTIVITIES: | |
| Cash Distributions Paid | (18,060,402) |
| Increase in Borrowings | 10,081,000 |
| Net Cash Used in Financing Activities | (7,979,402) |
| Net Change in Cash | |
| Cash at Beginning of Period | |
| Cash at End of the Period | \$ |
| SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION: | |
| Reinvestment of Dividends | \$ 259,919 |
| Interest Paid During the Period | \$ 103,061 |

See accompanying notes to financial statements.

TCW Strategic Income Fund, Inc.

Notes to Financial Statements (Unaudited)

June 30, 2013

Note 1 Significant Accounting Policies

TCW Strategic Income Fund, Inc. (the Fund) was incorporated in Maryland on January 13, 1987 as a diversified, closed-end investment management company and is registered under the Investment Company Act of 1940, as amended, and is traded on the New York Stock Exchange under the symbol TSI. The Fund commenced operations on March 5, 1987. The Fund's investment objective is to seek a total return comprised of current income and capital appreciation by investing in convertible securities, marketable equity securities, investment-grade debt securities, high-yield debt securities, securities issued or guaranteed by the United States Government, its agencies and instrumentalities (U.S. Government Securities), repurchase agreements, mortgage related securities, asset-backed securities, money market securities, other securities and derivative instruments without limit believed by the Fund's investment advisor to be consistent with the Fund's investment objective. TCW Investment Management Company (the Advisor) is the investment advisor to the Fund and is registered under the Investment Advisers Act of 1940.

Security Valuation: Securities traded on national exchanges, except those traded on the NASDAQ Stock Market, Inc. (NASDAQ), are valued at the last reported sales price or the mean of the current bid and asked prices if there are no sales in the trading period. Securities traded on the NASDAQ are valued in accordance with the NASDAQ Official Closing Price, which may not be the last reported sales price. Other securities which are traded on the over-the-counter market are valued at the mean of the current bid and asked prices as furnished by independent pricing services or by dealer quotations. Short-term debt securities with maturities of 60 days or less at the time of purchase are valued at amortized cost. Other short-term debt securities are valued on a marked-to-market basis until such time as they reach a remaining maturity of 60 days, after which they are valued at amortized cost using their value on the 61st day prior to maturity. S&P 500 Index futures contracts are valued at the first sale price after 4 p.m. ET on the Chicago Mercantile Exchange. Swap agreements are valued at the last ask price if no sales are reported.

Securities for which market quotations are not readily available, including circumstances under which market quotations are not reflective of a security's market value, are valued at their fair value as determined in good faith under procedures established by and under the general supervision of the Fund's Board of Directors.

Fair value is defined as the price that a fund would receive upon selling an investment in a timely transaction to an independent buyer in the principal or most advantageous market for the investment. In accordance with the authoritative guidance on fair value measurements and disclosures under the accounting principles generally accepted in the United States of America (GAAP), the Fund discloses investments in a three-tier hierarchy. This hierarchy is utilized to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The three-tier hierarchy of inputs is summarized in the three broad Levels listed below.

Level 1 quoted prices in active markets for identical investments

Level 2 other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

TCW Strategic Income Fund, Inc.

Notes to Financial Statements (Unaudited) (Continued)

Note 1 Significant Accounting Policies (Continued)

Level 3 significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

Changes in valuation techniques may result in transfers in or out of an investment's assigned Level within the hierarchy. The inputs or methodology used for valuing investments are not necessarily an indication of the risk associated with investing in those investments and the determination of the significance of a particular input to the fair value measurement in its entirety requires judgment and consideration of factors specific to each security.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

In periods of market dislocation, the observability of prices and inputs may be reduced for many instruments. This condition, as well as changes related to liquidity of investments, could cause a security to be reclassified between Level 1, Level 2, or Level 3.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Fair Value Measurements: A description of the valuation techniques applied to the Fund's major categories of assets and liabilities measured at fair value on a recurring basis follows:

Asset-backed securities, mortgage-backed securities and collateralized mortgage obligations. The fair value of asset-backed securities, mortgage-backed securities and collateralized mortgage obligations is estimated based on models that consider the estimated cash flows of each debt tranche of the issuer, establish a benchmark yield, and develop an estimated tranche specific spread to the benchmark yield based on the unique attributes of the tranche including, but not limited to, the prepayment speed assumptions and attributes of the collateral. To the extent the inputs are observable and timely, the values would be categorized in Level 2 of the fair value hierarchy, otherwise they would be categorized as Level 3.

Bank loans. The fair value of bank loans is estimated using recently executed transactions, market price quotations, credit/market events, and cross-asset pricing. Inputs are generally observable and are obtained from independent sources. Bank loans are generally categorized in Level 2 of the fair value hierarchy, unless key inputs are unobservable, which will then be in Level 3.

Corporate bonds. The fair value of corporate bonds is estimated using recently executed transactions, market price quotations (where observable), bond spreads, or credit default swap spreads adjusted for any basis difference between cash and derivative instruments. Corporate bonds are generally categorized in Level 2 of the fair value hierarchy; in instances where prices, spreads, or any of the other aforementioned key inputs are unobservable, they are categorized in Level 3 of the hierarchy.

TCW Strategic Income Fund, Inc.

June 30, 2013

Note 1 Significant Accounting Policies (Continued)

Equity securities. Securities are generally valued based on quoted prices from the applicable exchange. To the extent these securities are actively traded, valuation adjustments are not applied and they are categorized in Level 1 of the fair value hierarchy. Restricted securities issued by publicly held companies are valued at a discount to similar publicly traded securities and may be categorized as Level 2 of the fair value hierarchy to the extent that the discount is considered to be insignificant to the fair value measurement in its entirety; otherwise they may be categorized as Level 3. Restricted securities held in non-public entities are included in Level 3 of the fair value hierarchy because they trade infrequently, and, therefore, the inputs are unobservable.

Futures contracts. Futures contracts are generally valued at the settlement prices established at the close of business each day by the exchange on which they are traded. The value of the Fund's futures contracts is marked daily and an appropriate payable or receivable for the change in value (variation margin) is recorded by the Fund. As such they are categorized as Level 1.

Municipal bonds. Municipal bonds are fair valued based on pricing models that take into account, among other factors, information received from market makers and broker-dealers, current trades, bid-wants lists, offerings, market movements, the callability of the bond, state of issuance, benchmark yield curves, and bond insurance. To the extent that these inputs are observable and timely, the fair values of municipal bonds are categorized as Level 2; otherwise the fair values are categorized as Level 3.

Restricted securities. Restricted securities that are deemed to be both Rule 144A securities and illiquid, as well as restricted securities held in non-public entities, are included in Level 3 of the fair value hierarchy because they trade infrequently, and, therefore, the inputs are unobservable.

U.S. Government and agency securities. U.S. government and agency securities are normally valued using a model that incorporates market observable data such as reported sales of similar securities, broker quotes, yields, bids, offers, quoted market prices, and reference data. Accordingly, U.S. government and agency securities are normally categorized in Level 1 or Level 2 of the fair value hierarchy depending on the liquidity and transparency of the market.

The following is a summary of the inputs used as of June 30, 2013 in valuing the Fund's investments:

| Description | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | Total |
|---|---|---|--|--------------------|
| Fixed Income Securities | | | | |
| Asset-Backed Securities | \$ | \$ 75,018,601 | \$ 7,383,971 | \$ 82,402,572 |
| Collateralized Mortgage Obligations | | | | |
| Commercial Mortgage-Backed Securities Non-Agency | | 2,067,630 | | 2,067,630 |
| Residential Mortgage-Backed Securities Agency | | 11,125,452 | | 11,125,452 |
| Residential Mortgage-Backed Securities Non-Agency | | 143,299,070 | 5,112,795 | 148,411,865 |
| Total Collateralized Mortgage Obligations | | 156,492,152 | 5,112,795 | 161,604,947 |

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| | | | |
|-------------------------------|-------------|------------|-------------|
| Bank Loans* | 3,489,131 | | 3,489,131 |
| Corporate Bonds* | 40,096,995 | 56,250 | 40,153,245 |
| Municipal Bonds | 3,137,220 | | 3,137,220 |
| Total Fixed Income Securities | 278,234,099 | 12,553,016 | 290,787,115 |
| Convertible Preferred Stock* | 1,540,154 | | 1,540,154 |

TCW Strategic Income Fund, Inc.

Notes to Financial Statements (Unaudited) (Continued)

Note 1 Significant Accounting Policies (Continued)

| Description | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | Total |
|------------------------------|---|---|--|--------------|
| Common Stock* | \$ 1,174,945 | \$ | \$ | \$ 1,174,945 |
| Total Short-Term Investments | 1,144,867 | 1,568,714 | | 2,713,581 |
| Total Investments | 3,859,966 | 279,802,813 | 12,553,016 | 296,215,795 |
| Asset Derivatives | | | | |
| Futures Contracts | | | | |
| Interest Rate Risk | 80,408 | | | 80,408 |
| Liability Derivatives | | | | |
| Futures Contracts | | | | |
| Equity Risk | \$ (424,423) | \$ | \$ | \$ (424,423) |

* See Schedule of Investments for corresponding industries.

The Fund did not have any transfers in and out of Level 1 and Level 2 of the fair value hierarchy during the six months ended June 30, 2013.

The following is a reconciliation of investments in which significant unobservable inputs (Level 3) were used in determining value:

| | Balance as of 12/31/2012 | Accrued Discounts Premiums | Realized Gain (Loss) | Change in Unrealized Appreciation (Depreciation) | Purchases | Sales | Transfers into Level 3* | Transfers (out) of Level 3* | Balance as of 06/30/13 | Net Change in Unrealized Appreciation (Depreciation) from Investments Still Held as of 06/30/13 |
|---|--------------------------------|----------------------------------|----------------------------|---|--------------|----------------|-------------------------------|---|------------------------------|---|
| Asset-Backed Securities | \$ 437,143 | \$ | \$ | \$ (16,922) | \$ 4,650,000 | \$ (761,284) | \$ 3,075,034** | \$ | \$ 7,383,971 | \$ (16,922) |
| Residential Mortgage-Backed Securities Non-Agency | 11,546,414 | | 2,052,129 | (2,574,452) | | (5,911,296) | | | \$ 5,112,795 | (74,510) |
| Corporate Bonds | | | | | | | 56,250** | | \$ 56,250 | |
| Total | \$ 11,983,557 | \$ | \$ 2,052,129 | \$ (2,591,374) | \$ 4,650,000 | \$ (6,672,580) | \$ 3,131,284 | \$ | \$ 12,553,016 | \$ (91,432) |

* *The Fund recognizes transfers in and transfers out at the beginning of the period.*

** *Financial assets transferred between Level 2 and Level 3 were due to a change in observable and/or unobservable inputs.*

TCW Strategic Income Fund, Inc.

June 30, 2013

Note 1 Significant Accounting Policies (Continued)

Significant unobservable valuations inputs for Level 3 investments as of June 30, 2013, are as follows:

| Description | Fair Value at 06/30/13 | Valuation Techniques* | Unobservable Input | Range |
|--|---------------------------|--|-----------------------|--------------------|
| Asset-Backed Securities | \$ 7,383,971 | Methods of Comparables/Consensus Pricing | Offered Quotes | \$99.99 - \$101.00 |
| Residential Mortgage-Backed Securities Non-Agency (Interest Only Securities, Collateral Strip) | \$ 4,221,535 | Methods of Comparables/Consensus Pricing | Offered Quotes | \$1.03 - 4.24 |
| Rate Securities) | | | | |
| Residential Mortgage-Backed Securities Non-Agency (Interest Only Securities) | \$ 891,260 | Methods of Comparables/Consensus Pricing | Offered Quotes | \$14.67 |
| Corporate Bonds | \$ 56,250 | Methods of Comparables/Consensus Pricing | Offered Quotes | \$2.50 |

* *The Methods of Comparables/Consensus Pricing valuation technique for Level 3 securities involves gathering observable and unobservable data related to securities that exhibit characteristics that are comparable to that of the Level 3 security, and using such information as an input into the valuation of the Level 3 security. Such observable and unobservable data may include offered quotes (prices offered to the Fund by potential buyers in the market), broker quotes, and vendor prices for the comparable securities.*

Level 3 Valuation Process: Investments classified within Level 3 of the fair value hierarchy may be fair valued by the Advisor with approval by the Fund's Pricing Committee in accordance with procedures approved by the Board of Directors, and under the general oversight of the Board of Directors. The Fund's Pricing Committee employs various methods to determine fair valuations including a regular review of key inputs and assumptions and review of any related market activity. The Fund's Pricing Committee reports to the Board of Directors at their regularly scheduled meetings. It is possible that fair value prices will be used by the Fund to a significant extent. The value determined for an investment using the Fund's fair value procedures may differ from recent market prices for the investment and may be significantly different from the value realized upon the sale of such investment. The Advisor, as part of the daily process, conducts back-testing of prices based on daily trade activities.

The Pricing Committee consists of the Chief Risk Officer, Chief Compliance Officer, Treasurer, Assistant Treasurer, Secretary, and a representative from the portfolio management team as well as alternate members as the Board of Directors may from time to time designate. The Pricing Committee reviews and makes recommendations concerning the fair valuation of portfolio securities and the Fund's pricing procedures in general.

Security Transactions and Related Investment Income: Security transactions are recorded as of the trade date. Dividend income is recorded on the ex-dividend date. Interest income is recognized on an accrual basis. Realized gains and losses on investments are recorded on the basis of specific identification. Dividends received from real estate investments trust securities may include return of capital. Such distributions reduce the cost basis of the respective securities. Distributions, if any, in excess of the cost basis of the security are recognized as capital gains.

TCW Strategic Income Fund, Inc.

Notes to Financial Statements (Unaudited) (Continued)

Note 1 Significant Accounting Policies (Continued)

Distributions: Distributions to shareholders are recorded on ex-dividend date. The Fund declares and pays, or reinvests, dividends quarterly based on the managed distribution plan adopted by the Fund's Board of Directors. Under the Plan, the Fund will distribute a cash dividend equal to 7% of the Fund's net asset value on an annualized basis. The distribution will be based on the Fund's net asset value as of the previous calendar year-end. The source for the dividend comes from net investment income and net realized capital gains measured on a fiscal year basis. Any portion of the distribution that exceeds income and capital gains will be treated as a return of capital. Under certain conditions, federal tax regulations cause some or all of the return of capital to be taxed as ordinary income. Income and capital gain distributions are determined in accordance with income tax regulations which may differ from GAAP. These differences may be primarily due to differing treatments for market discount and premium, losses recognized for defaults or write-off on structured debt, losses deferred due to wash sales and spillover distributions. Permanent book and tax basis differences relating to shareholder distributions will result in reclassifications to paid-in-capital and may affect net investment income per share.

Derivative Instruments: Derivatives are financial instruments whose values are based on the values of one or more indicators, such as a security, asset, currency, interest rate, or index. Derivative transactions can create investment leverage and may be highly volatile. It is possible that a derivative transaction will result in a loss greater than the principal amount invested. The Fund may not be able to close out a derivative transaction at a favorable time or price.

For the six months ended June 30, 2013, the Fund had the following derivatives and transactions in derivatives, grouped in the following risk categories:

| | Equity Risk | Interest Rate Risk | Total |
|--|----------------|-----------------------|--------------|
| Statement of Assets and Liabilities: | | | |
| Asset Derivatives | | | |
| Futures Contracts ⁽¹⁾ | \$ | \$ 80,408 | \$ 80,408 |
| Total Value | \$ | \$ 80,408 | \$ 80,408 |
| Liability Derivatives | | | |
| Futures Contracts ⁽¹⁾ | \$ (424,423) | \$ | \$ (424,423) |
| Total Value | \$ (424,423) | \$ | \$ (424,423) |
| Statement of Operations: | | | |
| Realized Gain on: | | | |
| Futures Contracts | \$ 3,673,924 | \$ 76,946 | \$ 3,750,870 |
| Total Realized Gain | \$ 3,673,924 | \$ 76,946 | \$ 3,750,870 |
| Change in Unrealized Appreciation (Depreciation) on: | | | |
| Futures Contracts | \$ (326,726) | \$ 54,456 | \$ (272,270) |
| Total Change in Appreciation (Depreciation) | \$ (326,726) | \$ 54,456 | \$ (272,270) |

Notional Amounts

| | | | |
|-------------------|----|----|----|
| Futures Contracts | 66 | 21 | 87 |
|-------------------|----|----|----|

(1) Includes cumulative appreciation (depreciation) of futures contracts as reported in the Schedule of Investments. Only current day's variation margin is reported within the Statement of Assets and Liabilities.

Amount represents average number of contracts outstanding during the period in which derivatives trading took place for the Fund.

TCW Strategic Income Fund, Inc.

June 30, 2013

Note 1 Significant Accounting Policies (Continued)

Futures Contracts: The Fund may seek to manage a variety of different risks through the use of futures contracts, such as interest rate risk, equity price risk, and currency risk. The Fund may use index futures to hedge against broad market risks to its portfolio or to gain broad market exposure when it holds uninvested cash or as an inexpensive substitute for cash investments directly in securities or other assets. Securities index futures contracts are contracts to buy or sell units of a securities index at a specified future date at a price agreed upon when the contract is made and are settled in cash. Positions in futures may be closed out only on an exchange or board of trade which provides a secondary market for such futures. Because futures contracts are exchange-traded, they typically have minimal exposure to counterparty risk. Parties to a futures contract are not required to post the entire notional amount of the contract, but rather a small percentage of that amount (by way of margin), both at the time they enter into futures transactions, and then on a daily basis if their positions decline in value; as a result, futures contracts are highly leveraged. Such payments are known as variation margin and are recorded by the Fund as unrealized gains or losses. Because futures markets are highly leveraged, they can be extremely volatile, and there can be no assurance that the pricing of a futures contract will correlate precisely with the pricing of the asset or index underlying it or the asset or liability of the Fund that is the subject of the hedge. It may not always be possible for the Fund to enter into a closing transaction with respect to a futures contract it has entered into, at a favorable time or price. When the Fund enters into a futures transaction, it is subject to the risk that the value of the futures contract will move in a direction unfavorable to it.

When the Fund uses futures contracts for hedging purposes, it is likely that the Fund will have an asset or liability that will offset any loss (or gain) on the transactions, at least in part. When a futures contract is closed, the Fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed. The Fund used the S&P Futures to gain exposure to the broader equity market. The Fund also utilized Treasury futures to help manage daily liquidity as well as interest rate duration and credit market exposure. Futures contracts outstanding at June 30, 2013 are listed in the Fund's Schedule of Investments.

Swap Agreements: The Fund may enter into swap agreements. Swap agreements are typically two-party contracts entered into primarily by institutional investors. In a standard swap transaction, two parties agree to exchange the returns (or differentials in rates of return) earned or realized on particular predetermined investments or instruments, which may be adjusted for an interest factor. The gross returns to be exchanged or swapped between the parties are generally calculated with respect to a notional amount (i.e., the return on or increase in value of a particular dollar amount invested at a particular interest rate or in a basket of securities representing a particular index).

The Fund may enter into credit default swap transactions, as a buyer or seller of credit protection. In a credit default swap, one party provides what is in effect insurance against a default or other adverse credit event affecting an issuer of debt securities (typically referred to as a reference entity). In general, the buyer of credit protection is obligated to pay the protection seller an upfront amount or a periodic stream of payments over the term of the swap. If a credit event occurs, the buyer has the right to deliver to the seller bonds or other obligations of the reference entity (with a value up to the full notional value of the swap), and to receive a payment equal to the par value of the bonds or other obligations. Credit events that would trigger a request that the seller make payment are specific to each credit default swap agreement, but generally include bankruptcy, failure to pay, restructuring, obligation acceleration, obligation default, or repudiation/moratorium. When the Fund buys protection, it may or may not own securities of the reference entity. When the Fund sells protection under a credit default swap, the position may have the effect of

TCW Strategic Income Fund, Inc.

Notes to Financial Statements (Unaudited) (Continued)

Note 1 Significant Accounting Policies (Continued)

creating leverage in the Fund's portfolio through the Fund's indirect long exposure to the issuer or securities on which the swap is written. When the Fund sells protection, it may do so either to earn additional income or to create such a synthetic long position.

During the term of a swap transaction, changes in the value of the swap are recognized as unrealized gains or losses by marking to market the value of the swap. When the swap is terminated, the Fund will record a realized gain or loss equal to the difference, if any, between the proceeds from (or cost of) the closing transaction and the Fund's basis in the agreement. Upfront swap premium payments paid or received by a Fund, if any, are recorded within the value of the open swap agreement on the Fund's Statement of Assets and Liabilities and represent payments paid or received upon entering into the swap agreement to compensate for differences between stated terms of the swap agreement and prevailing market conditions (credit spreads, currency exchange rates, and other relevant factors). These upfront payments are recorded as realized gain or loss on the Fund's Statement of Operations upon termination or maturity of the swap agreement.

During the term of a swap transaction, the periodic net payments can be made for a set period of time or may be triggered by a predetermined credit event. The net periodic payments may be based on a fixed or variable interest rate, the change in market value of a specified security, basket of securities or index, or the return generated by a security. These periodic payments received or made by the Fund are recorded as realized gains and losses, respectively. During the six months ended June 30, 2013, the Fund did not enter into such agreements.

Mortgage-Backed Securities: The Fund may invest in mortgage pass-through securities which represent interests in pools of mortgages in which payments of both principal and interest on the securities are generally made monthly, in effect passing through monthly payments made by borrowers on the residential or commercial mortgage loans which underlie the securities (net of any fees paid to the issuer or guarantor of the securities). Mortgage pass-through securities differ from other forms of debt securities, which normally provide for periodic payment of interest in fixed amounts with principal payments at maturity or specified call dates. The Fund may also invest in Collateralized Mortgage Obligations (CMOs). CMOs are debt obligations collateralized by residential or commercial mortgage loans or residential or commercial mortgage pass-through securities. Interest and principal are generally paid monthly. CMOs may be collateralized by whole mortgage loans or private mortgage pass-through securities but are more typically collateralized by portfolios of mortgage pass-through securities guaranteed by Ginnie Mae, Freddie Mac or Fannie Mae. The issuer of a series of CMOs may elect to be treated for tax purposes as a Real Estate Mortgage Investment Conduit (REMIC). CMOs are structured into multiple classes, each bearing a different stated maturity. Monthly payment of principal received from the pool of underlying mortgages, including prepayments, is first returned to investors holding the shortest maturity class. Investors holding the longer maturity classes usually receive principal only after shorter classes have been retired. An investor may be partially protected against a sooner than desired return of principal because of the sequential payments. The Fund may invest in stripped mortgage backed securities. Stripped mortgage-backed securities are usually structured with two classes that receive different proportions of the interest and principal distributions on a pool of mortgage assets. In certain cases, one class will receive all of the interest (the interest-only or IO class), while the other class will receive all of the principal (the principal-only or PO class). The yield to maturity on IOs is sensitive to the rate of principal repayments (including prepayments) on the related underlying mortgage assets, and principal payments may have a material effect on yield to maturity. If the underlying mortgage assets experience greater than anticipated prepayments of principal, a Fund may not fully recoup its initial investment in IOs.

TCW Strategic Income Fund, Inc.

June 30, 2013

Note 1 Significant Accounting Policies (Continued)

When-Issued, Delayed-Delivery, and Forward Commitment Transactions: The Fund may enter into when-issued, delayed-delivery, or forward commitment transactions in order to lock in the purchase price of the underlying security, or in order to adjust the interest rate exposure of the Fund's existing portfolio. In when-issued, delayed-delivery, or forward commitment transactions, the Fund commits to purchase particular securities, with payment and delivery to take place at a future date. Although the Fund does not pay for the securities or start earning interest on them until they are delivered, it immediately assumes the risks of ownership, including the risk of price fluctuation. If the Fund's counterparty fails to deliver a security purchased on a when-issued, delayed-delivery, or forward commitment basis, there may be a loss, and the Fund may have missed an opportunity to make an alternative investment.

Prior to settlement of these transactions, the value of the subject securities will fluctuate based on market conditions. In addition, because the Fund is not required to pay for when-issued, delayed-delivery, or forward commitment securities until the delivery date, they may result in a form of leverage to the extent the Fund does not maintain liquid assets equal to the face amount of the contract. To guard against the deemed leverage, the Fund segregates cash or securities in the amount or value at least equal to the amount of these transactions.

Repurchase Agreements: The Fund may enter into repurchase agreements, under the terms of a Master Repurchase Agreement, that are secured by U.S. Government obligations and by other securities with select commercial banks and broker-dealers, under which the Fund acquires securities as collateral and agrees to resell the securities at an agreed upon time and at an agreed upon price. Securities pledged as collateral for repurchase agreements are held by the Fund's custodian bank or designated subcustodians, under tri-party Master Repurchase Agreements, until maturity of the repurchased agreements. Provisions of the agreements ensure that the market value of the collateral is sufficient in the event of default (where the market value of the collateral is at least equal to 100% of the repurchase price in the case of a repurchase agreement of one-day duration and 102% of the repurchase price in the case of all other repurchase agreements). In the event of default or bankruptcy by the other party under the Master Repurchase Agreement, realization of the collateral by the Fund may be delayed, limited or wholly denied.

At June 30, 2013, the Fund had investments in repurchase agreements with a gross value of \$1,568,714 on the Statement of Assets and Liabilities. The value of the related collateral exceeded the value of the repurchase agreements at June 30, 2013.

Security Lending: The Fund can lend securities to brokers. The brokers must provide collateral, which must be maintained at not less than 100% of the value of the loaned securities, to secure the obligation. The Fund earns income, net of broker fees, by investing the collateral. The Fund did not lend securities any time during the six months June 30, 2013.

Note 2 Risk Considerations

Market Risk: Because the value of the Fund's investments will fluctuate with market conditions, so will the value of your investment in the Fund. You could lose money on your investment in the Fund or the Fund could underperform other investments.

Liquidity Risk: The Fund's investments in illiquid securities may reduce the returns of the Fund because it may not be able to sell the illiquid securities at an advantageous time or price. Investments in high-yield securities, foreign securities, derivatives or other securities with substantial market and/or credit risk tend to have the greatest exposure to liquidity risk. Certain investments in private placements and Rule 144A

TCW Strategic Income Fund, Inc.

Notes to Financial Statements (Unaudited) (Continued)

Note 2 Risk Considerations (Continued)

securities may be considered illiquid investments. The Fund may invest in private placements and Rule 144A securities.

Interest Rate Risk: The value of the Fund's investments fluctuates in response to movements in interest rates. If rates rise, the values of debt securities generally fall. The longer the average duration of the Fund's investment portfolio, the greater the change in value.

Mortgage-Backed and Other Asset-Backed Securities Risk: The Fund may invest in mortgage-backed or other asset-backed securities. The values of some mortgage-backed or other asset-backed securities may expose the Fund to a lower rate of return upon reinvestment of principal. When interest rates rise, the value of mortgage-related securities generally will decline; however, when interest rates are declining, the value of mortgage related-securities with prepayment features may not increase as much as other fixed-income securities. The rate of prepayments on underlying mortgages will affect the price and volatility of a mortgage-related security, and may shorten or extend the effective maturity of the security beyond what was anticipated at the time of purchase. If an unanticipated rate of prepayment on underlying mortgages increases the effective maturity of a mortgage-related security, the volatility of the security can be expected to increase. The value of these securities may fluctuate in response to the market's perception of the creditworthiness of the issuers. Additionally, although mortgages and mortgage-related securities are generally supported by some form of government or private guarantee and/or insurance, there is no assurance that private guarantors or insurers will meet their obligations.

Derivatives Risk: Use of derivatives, which at times is an important part of the Fund's investment strategy, involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments. Investments in derivatives could cause the Fund to lose more than the principal amount invested. Also, suitable derivative transactions may not be available in all circumstances and there can be no assurance that the Fund will engage in these transactions to reduce exposure to other risks when that would be beneficial.

Credit Risk: The value of the Fund's investments may also decline in response to events affecting the issuer or its credit rating. The lower rated debt securities in which the Fund may invest are considered speculative and are subject to greater volatility and risk of loss than investment-grade securities, particularly in deteriorating economic conditions. The value of some mortgage-related securities in which the Fund invests also may fall because of unanticipated levels of principal prepayments that can occur when interest rates decline.

The Fund may invest a material portion of its assets in securities of issuers that hold mortgage and asset-backed securities and direct investments in securities backed by commercial and residential mortgage loans and other financial assets. The value and related income of these securities is sensitive to changes in economic conditions, including delinquencies and/or defaults. Continuing shifts in the market's perception of credit quality on securities backed by commercial and residential mortgage loans and other financial assets may result in increased volatility of market price and periods of illiquidity that can negatively impact the valuation of certain issuers held by the Fund.

Mortgage-backed securities (MBS) and Asset-backed securities (ABS) are characterized and classified in a variety of different ways. These classifications include a view of the securities' cash flow structure (pass-through, sequential pay, prepayment-protected, interest-only, principal-only, etc.), the security of the claim on the underlying assets, (senior, mezzanine and subordinated), as well as types of underlying

TCW Strategic Income Fund, Inc.

June 30, 2013

Note 2 Risk Considerations (Continued)

collateral (prime conforming loans, prime non-conforming loans, Alt-A loans, subprime loans, commercial loans, etc.) In many cases, the classification incorporates a degree of subjectivity: a particular loan might be categorized as prime by the underwriting standards of one mortgage issuer while another might classify the loan as subprime. In addition to other functions, the risk associated with an investment in a mortgage loan must take into account the nature of the collateral, the form and the level of credit enhancement, the vintage of the loan, the geography of the loan, the purpose of the loan (refinance versus purchase versus equity take-out), the borrower's credit quality (e.g. FICO score), and whether the loan is a first trust deed or a second lien.

The mortgage industry lacks a single bright-line as to what separates a subprime loan from an Alt-A loan. Often a combination of loan characteristics involving both borrower criteria as well as collateral criteria determine which category a loan is placed in. However, in order to be both conservative and objective as possible, the Adviser applied the following criteria to the Funds' residential mortgage and asset-backed holdings in coming up with its categorizations:

Sub Prime Any asset-backed bond whose collateral was residential mortgages, provided that the loans did not belong to the classification of manufactured housing loans.

Alt-A Any mortgage-backed security whose average borrower FICO score was less than 730 and/or was listed as an Alt-A pool by Bloomberg.

Counterparty Risk: The Fund may be exposed to counterparty risk, or the risk that an entity with which the Fund has unsettled or open transactions may default. Financial assets, which potentially expose the Fund to credit and counterparty risks, consist principally of investments and cash due from counterparties. The exposure to credit and counterparty risks with respect to these financial assets is reflected in fair value recorded in the Fund's Statements of Assets and Liabilities.

Note 3 Federal Income Taxes

It is the policy of the Fund to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies and distribute all of its net taxable income, including any net realized gains on investments, to its shareholders. Therefore, no federal income tax provision is required.

At June 30, 2013, net unrealized appreciation for federal income tax purposes was as follows:

| | |
|---|----------------------|
| Unrealized Appreciation | \$ 30,000,212 |
| Unrealized (Depreciation) | (11,540,718) |
| Net Unrealized Appreciation | \$ 18,459,494 |
| Cost of Investments for Federal Income Tax Purposes | \$ 277,756,301 |

The Fund did not have any unrecognized tax benefits at June 30, 2013, nor were there any increases or decreases in unrecognized tax benefits for the period then ended; and therefore, no interest or penalties were accrued. The Fund is subject to examination by U.S. federal and state tax authorities for returns filed for the prior three and four fiscal years, respectively.

Note 4 Investment Advisory and Service Fees

As compensation for the services rendered, facilities provided, and expenses borne, the Advisor is paid a monthly fee by the Fund computed at the annual rate of 0.75% of the first \$100 million of the Fund's average managed assets and 0.50% of the Fund's average managed assets in excess of \$100 million.

TCW Strategic Income Fund, Inc.

Notes to Financial Statements (Unaudited) (Continued)

Note 4 Investment Advisory and Service Fees (Continued)

In addition to the management fees, the Fund reimburses, with approval by the Fund's Board of Directors, a portion of the Advisor's costs associated in support of the Fund's Rule 38a-1 compliance obligations, which is included in the Statement of Operations.

Note 5 Purchases and Sales of Securities

For the six months ended June 30, 2013, purchases and sales or maturities of investment securities (excluding short-term investments) aggregated \$72,574,201 and \$62,043,527, respectively for non-U.S. Government Securities and aggregated \$0 and \$6,446,666, respectively, for U.S. Government Securities.

Note 6 Directors Fees

Directors who are not affiliated with the Advisor received, as a group, fees and expenses of \$58,545 from the Fund for the six months ended June 30, 2013. Certain Officers and/or Directors of the Fund are also Officers and/or Directors of the Advisor.

Note 7 Restricted Securities

The Fund is permitted to invest in securities that are subject to legal or contractual restrictions on resale. These securities generally may be resold in transactions exempt from registration or to the public if the securities are registered. Disposal of these securities may involve time consuming negotiations and expense, and prompt sale at an acceptable price may be difficult. There were no restricted securities (excluding Rule 144A issues) at June 30, 2013.

Note 8 Loan Outstanding

The Fund is permitted to borrow for investment purposes. The Fund has entered into a line of credit agreement with The Bank of New York Mellon which permits the Fund to borrow up to \$70 million at a rate, per annum, equal to the Federal Funds Rate plus 1.25%. There is also an annual commitment fee of \$35,000. The average daily loan balance during the period for which loans were outstanding amounted to \$24,342,326, and the weighted average interest rate was 1.39%. Interest expense on the line of credit was \$185,496 for the six months ended June 30, 2013. The maximum outstanding loan balance during the six months ended June 30, 2013 was \$34,051,000.

Note 9 Indemnifications

Under the Fund's organizational documents, its Officers and Directors may be indemnified against certain liabilities and expenses arising out of the performance of their duties to the Fund, and shareholders are indemnified against personal liability for the obligations of the Fund. In addition, the Fund entered into an agreement with each of the Directors which provides that the Fund will indemnify and hold harmless each Director against any expenses actually and reasonably incurred by any Director in any proceeding arising out of or in connection with the Director's services to the Fund, to the fullest extent permitted by the Fund's Articles of Incorporation and By-Laws, the Maryland General Corporation Law, the Securities Act of 1933, and the 1940 Act, each as now or hereinafter in force. Additionally, in the normal course of business, the Fund enters into agreements with service providers that may contain indemnification clauses. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. However, based on experience, the Fund expects the risk of loss to be remote. The Fund has not accrued any liability in connection with such indemnification.

TCW Strategic Income Fund, Inc.

Financial Highlights

| | Six Months Ended June 30, 2013 (Unaudited) | Year Ended December 31, 2012 | Year Ended December 31, 2011 | Year Ended December 31, 2010 | Year Ended December 31, 2009 | Year Ended December 31, 2008 |
|---|---|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Net Asset Value Per Share, Beginning of Period | \$ 5.60 | \$ 4.94 | \$ 5.52 | \$ 4.77 | \$ 3.64 | \$ 4.27 |
| Income from Operations: | | | | | | |
| Net Investment Income ⁽¹⁾ | 0.15 | 0.43 | 0.54 | 0.90 | 0.78 | 0.52 |
| Net Realized and Unrealized Gain (Loss) on Investments | 0.15 | 0.78 | (0.23) | 0.47 | 0.86 | (0.77) |
| Total from Investment Operations | 0.30 | 1.21 | 0.31 | 1.37 | 1.64 | (0.25) |
| Less Distributions: | | | | | | |
| Distributions from Net Investment Income | (0.20) | (0.55) | (0.89) | (0.62) | (0.51) | (0.38) |
| Net Asset Value Per Share, End of Period | \$ 5.70 | \$ 5.60 | \$ 4.94 | \$ 5.52 | \$ 4.77 | \$ 3.64 |
| Market Value Per Share, End of Period | \$ 5.54 | \$ 5.36 | \$ 4.85 | \$ 5.22 | \$ 4.37 | \$ 3.07 |
| Total Investment Return ⁽²⁾ | 6.99% ⁽³⁾ | 22.42% | 10.54% | 34.54% | 60.97% | (6.32)% |
| Net Asset Value Total Return ⁽⁴⁾ | 5.29% ⁽³⁾ | 24.95% ⁽³⁾ | 5.50% ⁽³⁾ | 29.53% ⁽³⁾ | 46.61% ⁽³⁾ | (6.03)% ⁽³⁾ |
| Ratios/Supplemental Data: | | | | | | |
| Net Assets, End of Period (in thousands) | \$ 271,861 | \$ 266,798 | \$ 235,227 | \$ 262,582 | \$ 227,310 | \$ 173,408 |
| Ratio of Expenses Before Interest Expense to Average Net Assets | 0.93% ⁽⁵⁾ | 1.03% | 0.98% | 1.00% | 1.12% | 1.10% |
| Ratio of Interest Expense to Average Net Assets | 0.13% ⁽⁵⁾ | 0.21% | 0.27% | 0.19% | 0.34% | 0.65% |
| Ratio of Total Expenses to Average Net Assets | 1.06% ⁽⁵⁾ | 1.24% | 1.26% | 1.19% | 1.47% | 1.75% |
| Ratio of Net Investment Income to Average Net Assets | 5.19% ⁽⁵⁾ | 7.88% | 9.58% | 16.67% | 18.62% | 12.89% |
| Portfolio Turnover Rate | 22.85% ⁽³⁾ | 35.09% | 39.63% | 49.30% | 30.31% | 42.44% |

(1) Computed using average shares outstanding throughout the period.

(2) Based on market price per share, adjusted for reinvestment of distributions.

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- (3) *For the six months ended June 30, 2013 and not indicative of a full year's results.*
- (4) *Based on net asset value per share, adjusted for reinvestment of distributions.*
- (5) *Annualized.*

See accompanying notes to financial statements.

TCW Strategic Income Fund, Inc.

Supplemental Information (Unaudited)

Proxy Voting Guidelines

The policies and procedures that the Fund uses to determine how to vote proxies are available without charge. The Board of Directors of the Fund has delegated the Fund's proxy voting authority to the Advisor.

Disclosure of Proxy Voting Guidelines

The proxy voting guidelines of the Advisor are available:

1. By calling 1-(877) 829-4768 to obtain a hard copy; or
2. By going to the SEC website at <http://www.sec.gov>.

When the Fund receives a request for a description of the Advisor's proxy voting guidelines, it will deliver the description that is disclosed in the Fund's Statement of Additional Information. This information will be sent out via first class mail (or other means designed to ensure equally prompt delivery) within three business days of receiving the request.

The Advisor, on behalf of the Fund, must prepare and file Form N-PX with the SEC not later than August 31 of each year, which must include the Fund's proxy voting record for the most recent twelve-month period ended June 30 of that year. The Fund's proxy voting record for the most recent twelve-month period ended June 30 is available:

1. By calling 1-(877) 829-4768 to obtain a hard copy; or
2. By going to the SEC website at <http://www.sec.gov>.

When the Fund receives a request for the Fund's proxy voting record, it will send the information disclosed in the Fund's most recently filed report on Form N-PX via first class mail (or other means designed to ensure equally prompt delivery) within three business days of receiving the request.

The Fund also discloses its proxy voting record on its website as soon as is reasonably practicable after its report on Form N-PX is filed with the SEC.

Availability of Quarterly Portfolio Schedule

The Fund files a complete schedule of its portfolio holdings with the SEC for the first and third quarters of its fiscal year on Form N-Q. The Form N-Q is available by calling 1-(877) 829-4768 to obtain a hard copy. You may also obtain the Fund's Form N-Q:

1. By going to the SEC website at <http://www.sec.gov>; or
2. By visiting the SEC's Public Reference Room in Washington, D.C. and photocopying it (Phone 1-800-SEC-0330 for information on the operation of the SEC's Public Reference Room).

Corporate Governance Listing Standards

In accordance with Section 303A.12 (a) of the New York Stock Exchange Listed Company Manual, the Fund's Annual CEO Certification certifying compliance with NYSE's Corporate Governance Listing Standards was submitted to the Exchange on January 17, 2013.

- Item 2. Code of Ethics.**
Not required for this filing.
- Item 3. Audit Committee Financial Expert.**
Not required for this filing.
- Item 4. Principal Accountant Fees and Services.**
Not required for this filing.
- Item 5. Audit of Committee of Listed Registrants.**
Not required for this filing.
- Item 6. Schedule of Investments.**
The Schedule of Investments is included as part of item 1 of this form.
- Item 7. Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies.**
Not required for this filing.
- Item 8. Portfolio Managers of Closed-End Management Investment Companies.**
Not required for this filing.
- Item 9. Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers.**
None.
- Item 10. Submission of Matters to a Vote of Security Holders.**
There have been no material changes to the procedures by which shareholders may recommend nominees to Registrant's Board of Directors.

Item 11. Controls and Procedures.

- (a) The Chief Executive Officer and Chief Financial Officer have concluded that the registrant's disclosure controls and procedures (as defined in rule 30a-2(c) under the Investment Company Act of 1940) provide reasonable assurances that material information relating to the registrant is made known to them by the appropriate persons as of a date within 90 days of the filing date of this report, based on their evaluation of these controls and procedures required by Rule 30a-3(b) under the Investment Company Act of 1940 and 15d-15(b) under the Exchange Act.

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

Item 12. Exhibits.

- (a)(1) Not required for this filing

- (a)(2) The certifications required by Rule 30a-2(a) of the 1940 Act and Section 302 of the Sarbanes-Oxley Act of 2002 (Sarbanes-Oxley Act) are filed herewith.

- (a)(3) Not required for this filing

- (b) The certifications required by Rule 30a-2(b) of the 1940 Act and Section 906 of the Sarbanes-Oxley Act are filed herewith.

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) TCW Strategic Income Fund, Inc.

By (Signature and Title)
/s/ Charles W. Baldiswieler
Charles W. Baldiswieler
Chief Executive Officer

Date August 26, 2013

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/ Charles W. Baldiswieler
Charles W. Baldiswieler
Chief Executive Officer

Date August 26, 2013

By (Signature and Title)
/s/ David S. DeVito
David S. DeVito
Chief Financial Officer

Date August 26, 2013