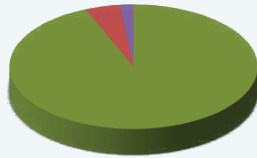


## BDC Industry Review: Second Quarter 2014



## FS Energy &amp; Power Fund

Total Assets.....\$3,153.3 Million  
 Investments.....\$2,955.0 Million  
 Cash & Equivalents.....\$142.6 Million  
 Other.....\$55.8 Million



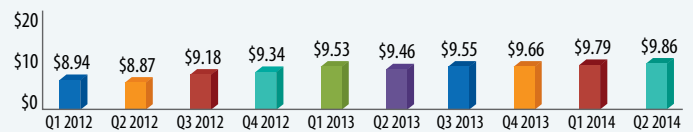
Public Offering Price: .....\$11.00  
 Current Distribution Rate\*: .....6.44%  
 Reinvestment Price Per Share:.....90% POP  
 Effective Date:.....May 12, 2011  
 Number of Months Effective:.....37

\*Current distribution rate based on public offering price

Cash & Equivalents to Total Assets Ratio:.....4.5%  
 Asset Type: ..... Diversified Private Debt  
 Number of Companies in Portfolio:.....120  
 Sponsor/Advisor: ..... Franklin Square Capital Partners  
 Sub-Advisor:..... GSO – Blackstone  
 Use of Total Return Swap (TRS): .....No\*  
 Assets of TRS: .....\$0 Million

\*FS Energy and Power Fund terminated the TRS agreement on May 24, 2013

## Historical Price (Net Asset Value)



## Investment Strategy

## Strategy:

To invest primarily in the debt and income-oriented equity securities of private U.S. companies in the energy and power industry.

## Company Size:

Not Applicable

## Average Portfolio Company Size:

\$221.8 million in EBITDA

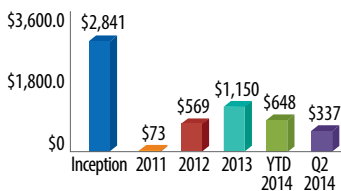
## Management

Investments are sourced, underwritten and managed in a collaborative effort between Franklin Square (FS) Capital Partners and the sub-advisor, GSO Capital Partners, a Blackstone company.

**GSO - Blackstone** – The credit arm of Blackstone, GSO manages over \$69.5 billion in credit investments. Blackstone is one of the world's largest investment management firms, has roughly \$279 billion in assets under management.

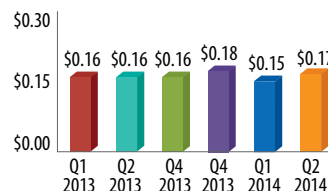
**Franklin Square Capital Partners** – An alternative investments firm founded in 2007 with an experienced team of investment professionals. The firm manages \$12.4 billion in BDC assets.

## Gross Offering Proceeds



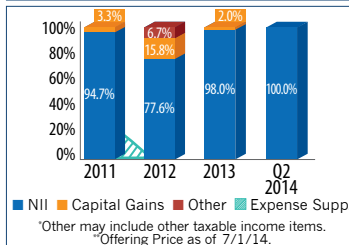
\*Includes reinvested distributions (in millions)

## Historical Distribution Per Share



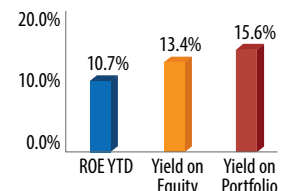
\*Does not include special distributions

## Sources of Distributions

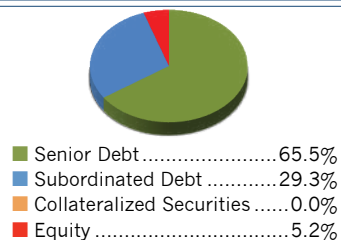


\*Other may include other taxable income items.  
 \*Offering Price as of 7/1/14.

## Portfolio Yields



## Portfolio by Asset Type



## Portfolio Concentration – Top 5 Industries

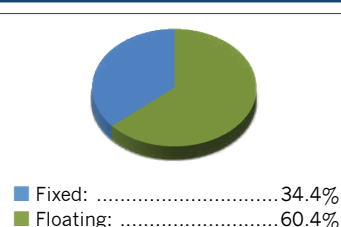
Industry	2014 YTD	2013
Upstream	50%	48%
Midstream	9%	13%
Downstream	0%	0%
Power	8%	7%
Service & Equipment	33%	32%

## Performance Returns

	2014 YTD	2013	2012	2011**
FS Energy & Power Fund	5.38%	10.49%	14.07%	2.11%
S&P/LSTA Leveraged Loan Index	2.60%	5.25%	9.67%	1.51%
BofA Merrill Lynch High Yield Master II	5.64%	7.42%	15.58%	4.38%

\*\*YTD returns are not annualized  
 \*Annualized due to limited operating data in 2011

## Floating vs. Fixed Rate Investments



## Key Statistics

Fund Operating Expense Ratio	5.8%
Interest Coverage Ratio	10.6x
Weighted Average Interest Rate	2.4%
Leverage Ratio	22.5%
Taxable Income Payout Ratio	97.2%
Net Change in Assets Payout Ratio	60.9%
Expense Support % of Distribution	0.0%

## Contact Information

[www.FSEnergyandPowerFund.com](http://www.FSEnergyandPowerFund.com)  
**Franklin Square Capital Partners**  
 2929 Arch Street, Suite 675  
 Philadelphia, PA 19104  
 (877) 372-9880

\*See additional notes on page 19.

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