

BDC Industry Review: Third Quarter 2015

FS Investment Corporation II

Total Assets.....\$5,032.3 Million
 Investments.....\$4,665.0 Million
 Cash & Equivalents.....\$283.9 Million
 Other.....\$83.5 Million



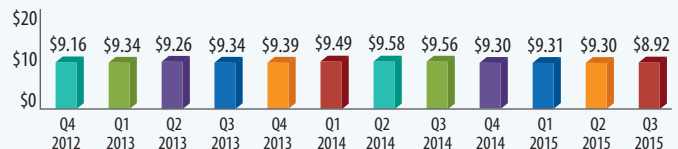
Last Offering PriceClosed
 Current Distribution Rate*7.11%
 Reinvestment Price Per Share.....Set by Board*
 Effective Date.....February 14, 2012
 Offering Close Date.....March 5, 2014

*Current distribution rate based on public offering price

Cash & Equivalents to Total Assets Ratio.....5.6%
 Asset TypeDiversified Private Debt
 Number of Companies in Portfolio169
 Sponsor/AdvisorFranklin Square Capital Partners
 Sub-Advisor.....GSO – Blackstone
 Use of Total Return Swap (TRS)No*
 Assets of TRS\$0 Million

*FS Investment Corporation II terminated the TRS agreement on June 13, 2013

Historical Price (Net Asset Value)



Investment Strategy

Strategy:

To invest primarily in senior secured, second-lien secured and to a lesser extent subordinated debt of private U.S. companies.

Company Size:

\$50 million to \$2.5 billion in revenue.

Average Portfolio Company Size:

\$188.6 million in EBITDA.

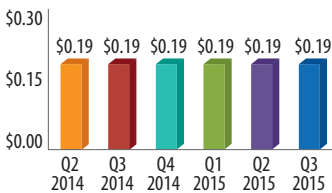
Management

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 \$81 billion in credit investments. Blackstone is one of the world's largest investment management firm, has roughly \$310 billion in assets under management.

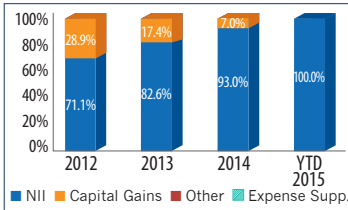
Franklin Square Capital Partners – An alternative investments firm founded in 2007 with an experienced team of investment professionals. The firm manages \$17.0 billion in BDC assets.

Historical Distribution Per Share



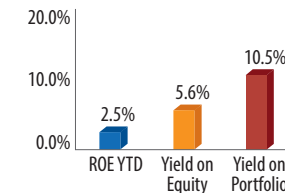
*Does not include special distributions

Sources of Distributions

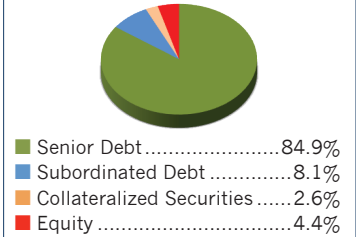


*Other may include other taxable income items.

Portfolio Yields



Portfolio by Asset Type



Portfolio Concentration – Top 5 Industries

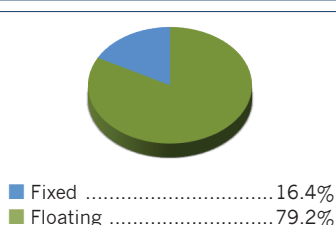
Industry	2015 YTD	2014
Energy	15%	14%
Consumer Services	11%	17%
Software & Services	11%	8%
Capital Goods	10%	9%
Commercial & Professional Services	8%	6%

Performance Returns

	2015* YTD	2014	2013*	2012
FS Investment Corporation II	2.04%	6.92%	10.81%	8.82%
S&P/LSTA Leveraged Loan Index	(0.52%)	0.99%	5.25%	9.67%
BofA Merrill Lynch High Yield Master II	(2.53%)	2.50%	7.42%	15.58%

*YTD returns are not annualized
 *Limited operations for year of 2012, became effective 2/14/12

Floating vs. Fixed Rate Investments



*See additional notes on page 23.

Key Statistics

Total Operating Expense Ratio	6.6%
Interest Coverage Ratio	4.7x
Weighted-Average Interest Rate	2.9%
Leverage Ratio	41.9%
Taxable Income Payout Ratio*	93.0%
Net Change in Assets Payout Ratio	322.1%
Expense Support % of Distribution	0.0%

Contact Information

www.FSInvestmentCorpII.com
Franklin Square Capital Partners
 2929 Arch Street, Suite 675
 Philadelphia, PA 19104
 877-372-9880