

BDC Industry Review: Third Quarter 2013



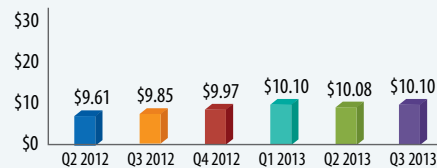
FS Investment Corporation

Total Assets.....\$4,633.6 Million
 Investments.....\$4,200.8 Million
 Cash & Equivalents.....\$290.4 Million
 Other.....\$142.3 Million



Last Offering Price:\$10.80
 Distribution Yield on Last POP:.....8.00%
 Effective Date:.....January 2, 2009
 Other:.....\$123.1 Million
 Offering Close Date:.....May 15, 2012
 Reinvestment Price Per Share:.....Set by Board*
 *Repurchase price will be no less than NAV and no more than 2.5% over NAV

Historical Price (Net Asset Value)



Cash & Equivalents to Total Assets:6.3%
 Asset Type: Diversified Private Debt
 Number of Companies in Portfolio:182
 Sponsor/Advisor: Franklin Square Capital Partners
 Sub-Advisor:..... Blackstone - GSO
 Use of Total Return Swap (TRS):No
 Assets of TRS: Not Available

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:

\$252.9 million in EBITDA

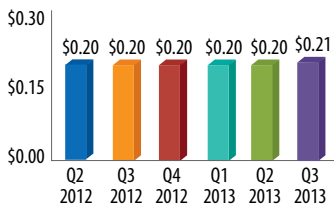
Management

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 \$63 billion in credit investments. Blackstone is one of the world's largest investment management firms, has roughly \$248 billion in assets under management.

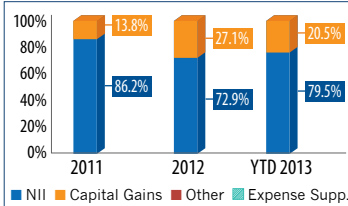
Franklin Square Capital Partners - An alternative investments firm founded in 2007 with an experienced team of investment professionals. The firm manages \$9.2 billion in BDC assets.

Historical Distribution Per Share



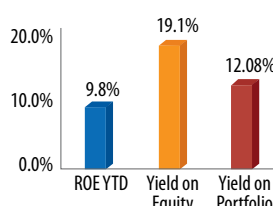
*Does not include special distributions

Sources of Distributions

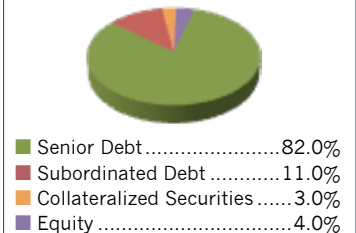


*Other may include other taxable income items.

Portfolio Yields



Portfolio by Asset Type



Portfolio Concentration - Top 5 Industries

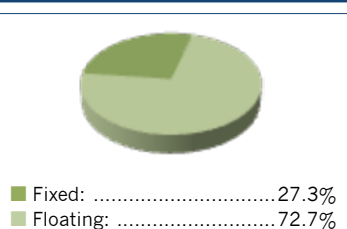
Industry	YTD 2013	2012
Capital Goods	20%	17%
Energy	12%	11%
Software & Services	9%	9%
Commercial & Professional Services	8%	7%
Consumer Durables & Apparel	8%	7%

Performance Returns

	YTD 2013	2012	2011
FS Investment Corporation	7.52%	15.83%	8.93%
S&P/LSTA Leveraged Loan Index	3.53%	9.67%	1.51%
BofA Merrill Lynch High Yield Master II	3.79%	15.58%	4.38%

* Annualized Returns based on NAV plus reinvestment of distributions

Floating vs. Fixed Rate Investments



Key Statistics

Fund Operating Expense Ratio.....	6.7%
Interest Coverage Ratio.....	6.7x
Weighted Average Interest Rate.....	2.7%
Leverage Ratio.....	40.8%
Taxable Income Payout Ratio.....	82%
Net Change in Assets Payout Ratio.....	89.1%
Expense Support % of Distributions.....	0%

Contact Information

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* See additional notes on page 19.

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