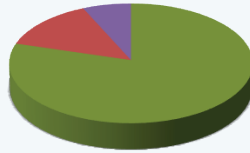


BDC Industry Review: Second Quarter 2015

FS Investment Corporation III

Total Assets.....	\$1,934.5 Million
Investments.....	\$1,538.5 Million
Cash & Equivalents.....	\$264.9 Million
Other.....	\$131.0 Million

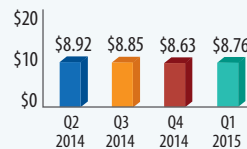


Public Offering Price:	\$9.95
Current Distribution Rate:	7.03%
Reinvestment Price Per Share:.....	90% POP
Effective Date:.....	December 31, 2013
Number of Months Effective:.....	18

Cash & Equivalents to Total Assets Ratio:.....	13.7%
Asset Type:	Diversified Private Debt
Number of Companies in Portfolio:	119
Sponsor/Advisor:	Franklin Square Capital Partners
Sub-Advisor:.....	GSO - Blackstone
Use of Total Return Swap (TRS):	Yes
Assets of TRS:	\$368.9 Million*

*TRS Agreement began June 26, 2014

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:

\$261.3 million in EBITDA

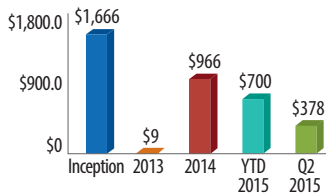
Management

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 firms, has roughly \$310 billion in assets under management.

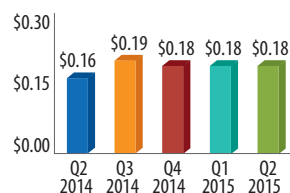
Franklin Square Capital Partners – An alternative investments firm founded in 2007 with an experienced team of investment professionals. The firm manages \$16.8 billion in BDC assets.

Gross Offering Proceeds



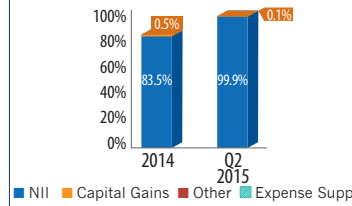
*Includes reinvested distributions (in millions)

Historical Distribution Per Share



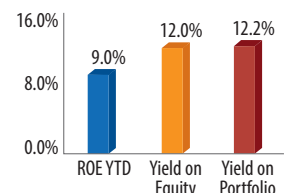
*Does not include special distributions

Sources of Distributions

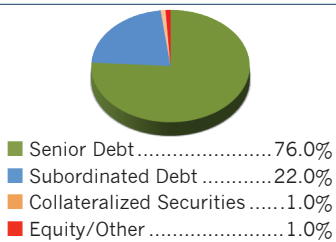


*Other may include other taxable income items.

Portfolio Yields



Portfolio by Asset Type



Portfolio Concentration - Top 5 Industries

Industry	2015 YTD	2014
Energy	19%	16%
Software & Services	16%	12%
Consumer Services	14%	14%
Materials	9%	8%
Capital Goods	9%	5%

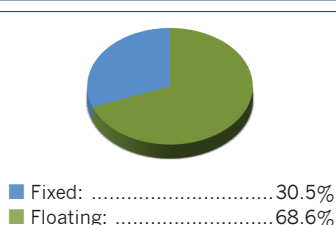
* Short-term Treasury Investments not included, includes TRS investments

Performance Returns

	2015 YTD	2014**
FS Investment Corporation III	5.79%	1.67%
S&P/LSTA Leveraged Loan Index	1.76%	0.99%
BofA Merrill Lynch High Yield Master II	2.49%	2.50%

* YTD returns are not annualized
** Annualized due to limited operating data in 2014

Floating vs. Fixed Rate Investments



Key Statistics

Fund Operating Expense Ratio.....	3.5%
Interest Coverage Ratio.....	11.6x
Weighted Average Interest Rate	2.7%
Leverage Ratio.....	19.6%
Taxable Income Payout Ratio*	100.1%
Net Change in Assets Payout Ratio	88.9%
Expense Support % of Distribution	0.0%

<http://www.franklinsquare.com/our-funds/fsic-iii/overview>

Franklin Square Capital Partners
2929 Arch Street, Suite 675
Philadelphia, PA 19104
(877) 372-9880

*See additional notes on page 22.