

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

SCHEDULE 14A
(Rule 14a-101)

**INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION**

**Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934
(Amendment No.)**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only** (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

FS INVESTMENT CORPORATION

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Attached hereto as Exhibit 1 is a Letter to Shareholders.

Attached hereto as Exhibit 2 is a list of FAQs.

Attached hereto as Exhibit 3 is an Analyst Presentation.

Attached hereto as Exhibit 4 is an Advisor Presentation.

Dear Fellow Shareholders,

This morning we announced changes to the management of several of our funds – FS Investment Corporation, FS Investment Corporation II, FS Investment Corporation III, FS Investment Corporation IV (together, the FSIC funds), FS Energy & Power Fund (FSEP) and FS Global Credit Opportunities Fund (FSGCO). I write to personally explain why I believe these changes are good for the funds.

At FS Investments, which started as Franklin Square Capital Partners in 2007, our mission has always been to create long-term value for individual investors by providing access to investment opportunities historically available only to the largest investors in the market. To do that, we've designed investment funds that we believe match attractive investment opportunities with strategic fund structures and best-in-class asset managers.

Over the last year, we continued to expand our product offerings in an effort to capture compelling market opportunities with the managers we believe are best positioned in today's environment to capitalize on those opportunities – Magnetar in energy and energy infrastructure, GoldenTree in the broader credit market, Rialto in real estate credit and Wilshire in multi-strategy liquid alternatives. Market receptivity to these solutions has been positive, and we believe reinforces the value proposition of FS Investments in the market.

It is with this same approach – matching market opportunities with managers best positioned to capitalize on them – that we announced we will be partnering with KKR to manage the FSIC funds and partnering with EIG Global Energy Partners to manage FSEP. We also announced we will directly manage FSGCO through a dedicated internal team under the leadership of FS' new Head of Liquid Credit, Andrew Beckman.

With these changes, we will be concluding our relationship with the current sub-advisor to these funds, GSO Capital Partners. Our partnership with GSO has created significant value for the funds' investors over the last nine years. We appreciate GSO's service to the funds and look forward to working with GSO over the next several months to ensure a smooth transition.

A growing BDC sector, and an increased number of non-BDC credit providers, have led to significantly greater competition in our industry and the broader credit markets. As the BDC and credit markets have evolved, our goal for the funds has remained the same – providing investors with attractive risk-adjusted returns. When we look at the road ahead, we believe that asset management platforms with scale, differentiated investment origination capabilities and a breadth of product solutions for borrowers will have the greatest success capturing the most attractive investment opportunities across markets. I strongly encourage you to read the more detailed announcements we made about the funds on our [website](#), but here are some key takeaways:

- **Our joint advisor with KKR will manage the FSIC funds and KKR's Corporate Capital Trust**, creating an \$18 billion middle market BDC platform – the largest in the marketplace – with unrivaled scale, broader capabilities and the ability to co-invest with KKR's \$41.3 billion credit franchise, which includes private, public and structured credit.
- **Our joint advisor with EIG will manage FSEP** and allow us to leverage the expertise and scale of a leading institutional investment firm solely focused on the global energy industry with \$17.0 billion in investments across 6 continents and 36 countries. EIG brings deep industry relationships and access to deal flow driven by a more than 35 year track record and a team of 61 energy investment professionals.

- **Our growing internal liquid credit investment team**, led by Andrew Beckman, our new Head of Liquid Credit, will manage FSGCO. Andrew is a seasoned credit professional with deep experience and a strong track record in special situations and event-driven strategies.

The world is constantly changing, and we recognize it is our duty to work as hard as we can on behalf of investors to evolve with it. We are excited about these changes and look forward to working closely with our new partners to deliver long-term value for investors.

As always, we appreciate your trust in us and value the opportunity to serve you.

Sincerely,

A handwritten signature in black ink, appearing to be the name 'M' or 'M.' with a stylized flourish.

Forward-Looking Statements

This document may contain certain “forward-looking” statements as that term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995, including statements with regard to future events or the future performance or operations of FS Investment Corporation, FS Investment Corporation II, FS Investment Corporation III, FS Investment Corporation IV, FS Energy and Power Fund (collectively, the “Funds”) and FS Global Credit Opportunities Fund (together with the Funds, the “FLS Entities”). Words such as “believes,” “expects,” “projects,” and “future” or similar expressions are intended to identify forward-looking statements. These forward-looking statements are subject to the inherent uncertainties in predicting future results and conditions. Certain factors could cause actual results to differ materially from those projected in these forward-looking statements. Factors that could cause actual results to differ materially include changes in the economy, risks associated with possible disruption to a FLS Entity’s operations or the economy generally due to terrorism or natural disasters, future changes in laws or regulations and conditions in a FLS Entity’s operating area, failure to obtain requisite stockholder approval for the Proposals (as defined below) set forth in the Proxy Statements (as defined below), failure to consummate the transactions contemplated by the agreements between FS Investments and KKR & Co. L.P (“KKR”) and between FS Investments and EIG Global Energy Partners (“EIG”), and the price at which shares of FSIC’s common stock trade on the New York Stock Exchange. Some of these factors are enumerated in the filings the FLS Entities made with the Securities and Exchange Commission (the “SEC”) and will also be contained in the Proxy Statements when such documents become available. The inclusion of forward-looking statements should not be regarded as a representation that any plans, estimates or expectations will be achieved. Any forward-looking statements speak only as of the date of this communication. Except as required by federal securities laws, the FLS Entities undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on any of these forward-looking statements.

Additional Information and Where to Find It

This presentation relates to proposed new investment advisory agreements for the Funds (collectively, the "Proposals"). In connection with the Proposals, each Fund intends to file relevant materials with the SEC, including a proxy statement on Schedule 14A (each a "Proxy Statement"). This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended. STOCKHOLDERS OF THE FUNDS ARE URGED TO READ ALL RELEVANT DOCUMENTS FILED WITH THE SEC, INCLUDING ANY PROXY STATEMENT, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSALS. Investors and security holders will be able to obtain the documents filed with the SEC free of charge at the SEC's web site, <http://www.sec.gov>, from FS Investments' website at www.fsinvestments.com and FS Investment Corporation's website at www.fsinvestmentcorp.com.

Participants in the Solicitations

The Funds and their respective directors, trustees, executive officers and certain other members of management and employees, including employees of FS Investments, KKR, EIG and their respective affiliates, may be deemed to be participants in the solicitation of proxies from the stockholders of the Funds in connection with the Proposals. Information regarding the persons who may, under the rules of the SEC, be considered participants in the solicitation of the Funds' stockholders in connection with the Proposals will be contained in the Proxy Statements when such documents become available. These documents may be obtained free of charge from the sources indicated above.

FSIC Franchise FAQs

1. What are the details of the announced transaction?

- FS Investments (“FS”) and KKR Credit (“KKR”) announced an agreement to form a partnership to provide investment advisory services to FS Investment Corporation (“FSIC”), FS Investment Corporation II (“FSIC II”), FS Investment Corporation III (“FSIC III”) and FS Investment Corporation IV (“FSIC IV”) and, together with FSIC, FSIC II and FSIC III, the “FSIC BDCs” or the “Funds”) as well as the BDC currently advised by KKR, Corporate Capital Trust, Inc. (“CCT”) subject to stockholder approvals of new advisory agreements and the satisfaction of other conditions. Corporate Capital Trust II (CCT II), currently advised by CNL and sub-advised by KKR, will also be offered the opportunity to be included subject to board and shareholder approval.
- KKR will seek interpretive guidance from the SEC or a new exemptive relief order that will allow the Funds to co-invest pro rata with KKR’s credit accounts, which we believe will provide the Funds with access to the same deal flow as KKR’s institutional clients and, in turn, improved portfolio diversification.
- Upon each FSIC Fund’s entry into the new investment advisory agreements, the annual base management fee of each FSIC Fund will be permanently reduced from 1.75% to 1.50% of such Fund’s gross assets. A proposal to reduce CCT II’s management fee is also expected to be put forth.
- Additionally, FS and KKR currently intend to evaluate the possibility of a liquidity event for FS’s non-traded BDCs following stockholder approval of the new advisory agreements.

2. Who is KKR?

- KKR is a leading global investment firm that manages multiple alternative asset classes, including private equity, energy, infrastructure, real estate, credit and, through its strategic partners, hedge funds.
- KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and driving growth and value creation with KKR portfolio companies.
- KKR invests its own capital alongside its partners’ capital and provides financing solutions and investment opportunities through its capital markets business. References to KKR’s investments may include the activities of its sponsored funds.
- Founded in 1976, KKR had approximately \$153B in AUM, a \$15B internal balance sheet and approximately 360 investment professionals as of September 30, 2017.
- KKR Credit had \$41B in AUM and approximately 100 investment professionals as of September 30, 2017.

3. Why is KKR the right partner to help manage the Funds?

- As competition for deal flow within the middle market has increased in recent years, we believe scale and the ability to provide borrowers and sponsors with a diversified set of lending solutions is critical to creating a significant competitive advantage.

- Together, FS and KKR will offer a comprehensive set of lending solutions to a broader universe of borrowers and we believe we will deliver value for investors with enhanced deal flow, attractive proprietary investment opportunities, reduced fees and disciplined risk management.
- We believe KKR is the right partner to adapt to the changing markets and grow stockholder value due to the following reasons:
 - KKR will seek exemptive relief to allow the FSIC BDCs to co-invest pro rata with KKR's credit accounts, helping to significantly expand investment opportunities.
 - A combination of the FSIC BDC and KKR BDC platforms, representing approximately \$13.7 billion and \$4.6 billion in assets as of September 30, 2017, respectively, would create the largest BDC manager with unrivaled scale and breadth which we believe, in turn, should drive significant cost savings.
 - We believe the stability and certainty of being co-owners of the Funds' adviser through a partnership aligns the interests of FS and KKR and ensures a deep commitment of each firm's time, attention and capital to make investments with strong risk-adjusted returns for investors over the long-term.
- The boards of directors for each of the FSIC Funds and CCT have recommended that the stockholders of each Fund vote in favor of the new investment advisory agreements with KKR and FS, respectively, as well as the joint venture. The CCT II board of directors will be presented with the opportunity to participate in the new partnership in the coming weeks.

4. Why is this transaction beneficial for stockholders?

- With more than \$18 billion in combined BDC assets under management between the FSIC BDCs and KKR BDCs as of September 30, 2017, we believe the FS / KKR partnership will create a platform with significant scale, differentiated origination capabilities and a breadth of financing solutions across direct lending, capital markets, and global structured finance.
- Expands investment opportunities.
 - In connection with the transaction, KKR will seek interpretive guidance from the SEC or a new exemptive relief order that will allow the FSIC BDCs to co-invest with KKR's credit accounts.
 - KKR Capital Markets: 40+ professionals providing an expanded source of deal flow, real-time market intelligence and continuous dialogue with issuers and sponsors.
 - Asset Based Finance: Originate proprietary investments in specialty finance companies with the potential to generate enhanced returns.
 - Non-Sponsor / Direct Coverage: Expanded deal sourcing and access to new origination sources, such as family offices and other institutions.
- Expected to lower investor costs of the FSIC BDC platform:
 - Upon each FSIC BDC's entry into the new advisory agreements, the base management fee of each Fund will be permanently lowered from 1.75% to 1.50% of such Fund's gross assets.
 - With more than \$18 billion in combined BDC assets under management between the FSIC BDCs and CCT I & II as of September 30, 2017, the unrivaled scale of a combined FSIC BDC and KKR BDC platform can be leveraged to drive meaningful expected cost savings, including the reduction in administrative expenses and borrowing costs.

- Provides clear steps to a liquidity event for FSIC II, FSIC III, FSIC IV:
 - Each Fund currently intends to begin soliciting stockholder approval of the new investment advisory agreements, as applicable, in January 2018.
 - Additionally, FS and KKR currently intend to evaluate the possibility of a liquidity event for FS's non-traded BDCs following approval of the new advisory agreements.
 - In addition to providing FSIC II, FSIC III and FSIC IV stockholders a potential path to liquidity, we expect merging the non-traded Funds with the public entities would drive significant cost savings and help grow stockholder value.

5. Will the investment strategies of the Funds change?

- No. There will be no change to the investment strategies or investment objectives of the FSIC BDCs, which are to generate current income and, to a lesser extent, long-term capital appreciation by investing in the securities of private U.S. middle market companies.

6. Will there be any changes to the Funds' fee structures?

- Upon each FSIC BDC's entry into the new advisory agreements, the base management fee for each Fund will be permanently lowered from 1.75% to 1.50% of such Fund's gross assets, and the "hurdle rate" above which each Fund earns its subordinated incentive fee on income will be reduced.
- Management fees will be removed from the FSIC incentive fee lookback calculation for quarters ending after January 1, 2018.
- Furthermore, we expect the Funds to leverage the broad scale of the combined FS and KKR platform to help reduce fund expenses, including administrative expenses (printing, professional services, etc.) and borrowing costs.

7. Will there be a special meeting for stockholders of each Fund to vote on the new investment advisory agreements?

- Yes. The Funds currently intend to begin soliciting stockholder approval of the new investment advisory agreements, as applicable, in January 2018.
- Each Fund will have its own special stockholder meeting. We expect these meetings to take place in March 2018.
- Additional details can be found in the preliminary proxy statements that each Fund will file with the Securities and Exchange Commission (SEC) at www.sec.gov and are available at www.FSproxy.com.

8. When do you expect the new advisory agreements to be approved?

- Each Fund will file a preliminary proxy statement with the SEC which will be available at www.sec.gov and at www.FSproxy.com.
- It is expected that proxy materials, including the definitive proxy statements, will be mailed to each of the Funds' stockholders to begin soliciting approval of the new investment advisory agreements, as applicable, in January 2018.

- We expect the meetings to take place in March 2018.

9. As an investor in a Fund, what do I need to do next?

- Each Fund will file a preliminary proxy statement with the SEC, which can be viewed at www.FSproxy.com.
- It is expected that proxy materials, including the definitive proxy statements, will be mailed to the Funds' stockholders to begin soliciting approval of the new investment advisory agreements, as applicable, in January 2018.
- If you have any questions please call FS at 833-536-4196.

10. Will the announcement have any effect on the fourth quarter 2017 tender process for FSIC II, FSIC III or FSIC IV?

- FSIC II, FSIC III and FSIC IV will each still make its respective normal quarterly share repurchase offer, commencing the second week of December 2017.
- Material terms of the share repurchase offer will be consistent with the prior quarter.

11. Will the Funds bear any transaction costs associated with the proxy statement and related solicitation?

- No. All costs associated with the proxy statement and related solicitation will be borne by FS and KKR.

12. How long do you expect the exemptive relief application to take before it is effective?

- There is no guarantee exemptive relief will be received at all or during a defined timeframe.
- Regardless of the timing for exemptive relief approval, the FS BDCs will have the ability to participate pro rata in KKR Credit's deal flow upon receipt of shareholder approval for the co-investment advisory agreements

13. How long will GSO Capital Partners (GSO) remain the sub-adviser to the FSIC Funds?

- GSO intends to resign as the sub-adviser to the FSIC Funds in April 2018.
- FS, GSO and KKR will work together to ensure a smooth transition.

14. How will the Funds be advised and serviced prior to the approvals of the new advisory agreements?

- GSO intends to resign as the sub-adviser to the FSIC Funds in April 2018. The applicable FS investment adviser (each an "FS Adviser") will continue providing advisory services to the Funds applicable FS Adviser to the current advisory agreements and KKR will provide non-advisory services and deal flow to the FS Advisers (as defined below) through a sourcing and administrative services agreement until stockholder approvals for the new investment advisory agreements are obtained.

15. Is a merger of FSIC & CCT currently being contemplated?

- Our primary focus is on receiving stockholder approval from the four FSIC funds and two CCT funds for the new co-advisory and joint advisory investment agreements.
- Additionally, FS and KKR currently intend to evaluate the possibility of a liquidity event for FS's non-traded BDCs following stockholder approval of the new advisory agreements.

16. Will the name of the FSIC BDCs change?

- No. At this time, FS does not intend to change the name of any of the FSIC BDCs.

17. Are changes expected to be made to each FSIC BDC Board as a result of this transaction?

- FS and KKR have agreed that upon stockholder approval of the new investment advisory agreements with respect to a Fund and subject to nomination by and approval by the board of directors of the Fund (each a “Board”):
 - The applicable FS Adviser will be entitled to recommend the appointment of one “interested” director to each CCT Board and KKR will be entitled to recommend the appointment of one “interested” director to each FSIC Board;
 - In the event that either an FS Adviser or KKR has more than one appointee serving as an “interested” director to a Board, such party will use its reasonable best efforts to cause the resignations of such excess number of its appointed “interested” directors as promptly as practicable;
 - KKR will be entitled to recommend the appointment of one independent director to the Board.
- Each FS Adviser has agreed to recommend to the applicable Board that the size of the Board be reduced over a period of one year from the date such Fund enters into a new investment advisory agreement to no more than nine directors.

Forward-Looking Statements

This document may contain certain “forward-looking” statements as that term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995, including statements with regard to future events or the future performance or operations of FS Investment Corporation, FS Investment Corporation II, FS Investment Corporation III and FS Investment Corporation IV (collectively, the “Funds”). Words such as “believes,” “expects,” “projects,” and “future” or similar expressions are intended to identify forward-looking statements. These forward-looking statements are subject to the inherent uncertainties in predicting future results and conditions. Certain factors could cause actual results to differ materially from those projected in these forward-looking statements. Factors that could cause actual results to differ materially include changes in the economy, risks associated with possible disruption to a Fund’s operations or the economy generally due to terrorism or natural disasters, future changes in laws or regulations and conditions in a Fund’s operating area, failure to obtain requisite stockholder approval for the Proposals (as defined below) set forth in the Proxy Statements (as defined below), failure to consummate the transactions contemplated by the agreement between FS Investments and KKR, the failure or inability to obtain exemptive relief as described in the Proxy Statements, and the price at which shares of FSIC’s common stock trade on the New York Stock Exchange. Some of these factors are enumerated in the filings the Funds made with the Securities and Exchange Commission (the “SEC”) and will also be contained in the Proxy Statements when such documents become available. The inclusion of forward-looking statements should not be regarded as a representation that any plans, estimates or expectations will be achieved. Any forward-looking statements speak only as of the date of this communication. Except as required by federal securities laws, the Funds undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on any of these forward-looking statements.

Additional Information and Where to Find It

This document relates to proposed new investment advisory agreements for the Funds (collectively, the "Proposals"). In connection with the Proposals, each Fund intends to file relevant materials with the SEC, including a proxy statement on Schedule 14A (each a "Proxy Statement"). This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended. STOCKHOLDERS OF THE FUNDS ARE URGED TO READ ALL RELEVANT DOCUMENTS FILED WITH THE SEC, INCLUDING ANY PROXY STATEMENT, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSALS. Investors and security holders will be able to obtain the documents filed with the SEC free of charge at the SEC's web site, www.sec.gov, from FS Investments' website at www.fsinvestments.com and FS Investment Corporation's website at www.fsinvestmentcorp.com.

Participants in the Solicitations

The Funds and their respective directors, trustees, executive officers and certain other members of management and employees, including employees of FS Investments, KKR and their respective affiliates, may be deemed to be participants in the solicitation of proxies from the stockholders of the Funds in connection with the Proposals. Information regarding the persons who may, under the rules of the SEC, be considered participants in the solicitation of the Funds' stockholders in connection with the Proposals will be contained in the Proxy Statements when such documents become available. These documents may be obtained free of charge from the sources indicated above.



FSICSM

KKR

CORPORATE
CAPITAL TRUST

FS INVESTMENTS & KKR FORM STRATEGIC PARTNERSHIP

Combining FSIC & CCT platforms to create stockholder value

FS INVESTMENTS AND KKR TO ESTABLISH INDUSTRY-LEADING PARTNERSHIP

FS Investments ("FS") and KKR Credit Advisors ("KKR") have announced an agreement to form a strategic partnership, creating a premier ~\$18B¹ alternative lending platform

FS INVESTMENTS

- Leading provider and manager of alternative investment solutions with \$20.5B in AUM²
- Largest manager of credit-focused business development companies with \$13.7B in BDC AUM³
- History of combining differentiated strategies, top institutional managers and innovative structures to provide investors with alternative sources of income and growth
- Best-in-class capital raising capabilities with 300,000 investors represented by over 18,000 financial advisors

KKR

- KKR & Co. L.P. is a leading global investment firm managing \$153B² in AUM across multiple alternative asset classes
- 41-year history of investment excellence
- \$15B² internal balance sheet largely invested alongside clients
- Manages \$41.3B in Credit AUM, including \$4.6B in BDC AUM²
- Global industry coverage in Credit strategies complemented by a significant sourcing, underwriting and capital markets platform

¹ Assumes stockholder approval for all funds

² As of September 30, 2017

³ \$18B of total BDC AUM as of September 30, 2017 comprised of \$13.7B across FSIC, FSIC II, FSIC III and FSIC IV and \$4B in FS Energy & Power Fund

TRANSACTION SUMMARY¹

KEY HIGHLIGHTS

COMBINED PLATFORM

- FSIC I, II, III & IV comprising \$13.7B in gross assets
- CCT I & II comprising \$4.6B in gross assets
- 150 sponsors, 325 borrowers

INVESTMENT ADVISORS

- FS & KKR to seek stockholder approval for joint venture as sole investment advisor (co-advisors on an interim basis)

CO-INVESTMENT

- Each FSIC fund expects that it will have the ability to co-invest pro rata alongside KKR's other client accounts upon receiving shareholder approval for new advisory agreements

FEES

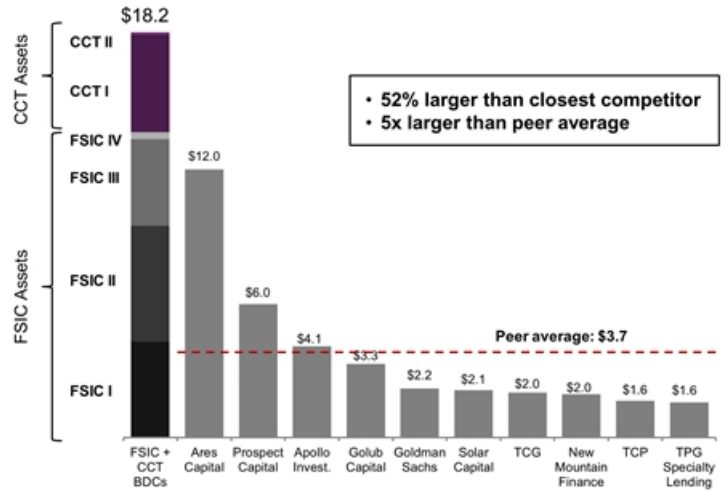
- Management fee for FSIC funds & CCT II to be reduced to 1.50% annually (CCT was reduced to 1.50% at listing)
- Enhancing FSIC incentive-fee lookback calculation to remove add-back of management fee²

¹ Metrics assume stockholder approval for all funds

² Look-back provision change becomes effective for quarters ending after January 1, 2018

³ As of September 30, 2017 per Wall Street research and company filings. BDC Platform data representative of reported gross assets.

PARTNERSHIP CREATES LARGEST BDC PLATFORM³



STRATEGIC RATIONALE

COMPLEMENTARY, LONG-TERM PARTNERSHIP

- Combines FS and KKR's investment acumen, distribution networks and geographic footprints
- KKR brings fundamental, private credit investing expertise, while FS brings experience in direct lending and all aspects of '40 Act fund management
- FSIC franchise becomes integral part of KKR Credit, investing alongside KKR's credit platform on a pro rata basis

SCALE – IMPACT ON SHAREHOLDERS

- Expanded origination platform to capture a broader set of investment opportunities
- Ability to hold larger investments, with a focus on the upper end of the middle market
- Largest BDC platform expected to increase operational efficiencies
- FSIC vehicles to reduce annual management fee rate to 1.50%

LENDER OF CHOICE AMONG BORROWERS

- Partnership well-positioned to provide a full suite of lending solutions at scale
- Borrowers benefit from KKR's symbiotic, solutions-oriented capital markets platform, and the combined credit investing and structuring expertise of FS and KKR
- "Ball control" ensures we can manage our borrowers' experience and support them as needed

FS INVESTMENTS: LARGEST MANAGER OF BDC ASSETS



Leading asset manager providing access to alternative sources of income and growth

<p>\$21B Assets under management</p>	<p>PARTNERSHIP Partner with best-in-class institutional managers</p>	<p>\$21B AUM</p>	<p>10 Funds</p>	<p>5 Institutional partners</p>
<p>10 Registered investment vehicles</p>	<p>EXPERTISE Manufacture and launch innovative products across all areas of alternative investments</p>	<p>PRIVATE CREDIT EVENT DRIVEN CREDIT</p>	<p>PUBLIC ENERGY INFRASTRUCTURE</p>	<p>PRIVATE ENERGY LIQUID ALTERNATIVES REAL ESTATE LENDING</p>
<p>300+ Employees</p>	<p>BDCs Largest manager of business development company assets</p>	<p>\$18B BDC AUM</p>	<p>5 # of BDCs</p>	<p>2009 FSIC launched as first non-traded BDC 2014 FSIC was first non-traded BDC to list on NYSE</p>

KKR – A LEADING ASSET MANAGEMENT PLATFORM

KKR

Founded 1976

\$153bn

Assets Under Management

\$15bn

Internal Balance Sheet
Largely Invested Alongside Clients

~360

Investment Professionals

20

Offices Globally

Private Equity & Real Assets
~260 investment professionals
(\$88bn AUM)

KKR Credit
~100 investment professionals
(\$41bn AUM)

Capital Markets
~40 capital markets professionals
(~\$315bn in global refinancings ITD)

Hedge Fund Partnerships
(\$24bn AUM)

KKR
Capstone⁽¹⁾
(~50 people)

Global Macro
and Asset Allocation
(7 people)

Stakeholder
Management
(14 people)

KKR
Global Institute
(3 people)

Client and
Partner Group
(~75 people)

“One-Firm” Culture – KKR will deliver the resources of the full firm to support the FSIC vehicles

Note: AUM and headcount as of September 30, 2017.

1) KKR Capstone is not a subsidiary or affiliate of KKR. Please see Important Information for additional disclosure regarding KKR Capstone, which can be found on slide 12.

KKR CREDIT OVERVIEW

CURRENT KKR CREDIT AUM

\$41bn → \$55bn¹

KKR Credit Assets Under Management

\$22bn

Leveraged Credit

- Leveraged Loans
- High Yield Bonds
- Opportunistic Credit
- CLOs
- Revolving Credit

\$10bn → \$24bn¹

Private Credit

- Direct Lending
- Asset-based Finance
- Subordinated Debt

\$9bn

Special Situations

- Deep Value
- Distressed
- Event-Driven

KKR CREDIT AUM GROWTH (\$BN)²



IMPACT ON BDCs

- Global sourcing platform with investment expertise across the capital structure, covering 150 sponsors
- ~100 investment professionals within KKR Credit
- Aligned in outcomes – KKR's Balance Sheet and employees have \$2.7 billion committed across KKR Credit
- BDCs will allow KKR to continue to invest in and expand its direct origination capabilities

¹Presentation of pro forma AUM as of September 30, 2017 is for illustrative purpose only and assumes that all of FS Investments' AUM is in Private Credit.

²AUM as of September 30, 2017

GLOBAL AND DIVERSIFIED SOURCING PLATFORM TO IMPROVE CREDIT SELECTION



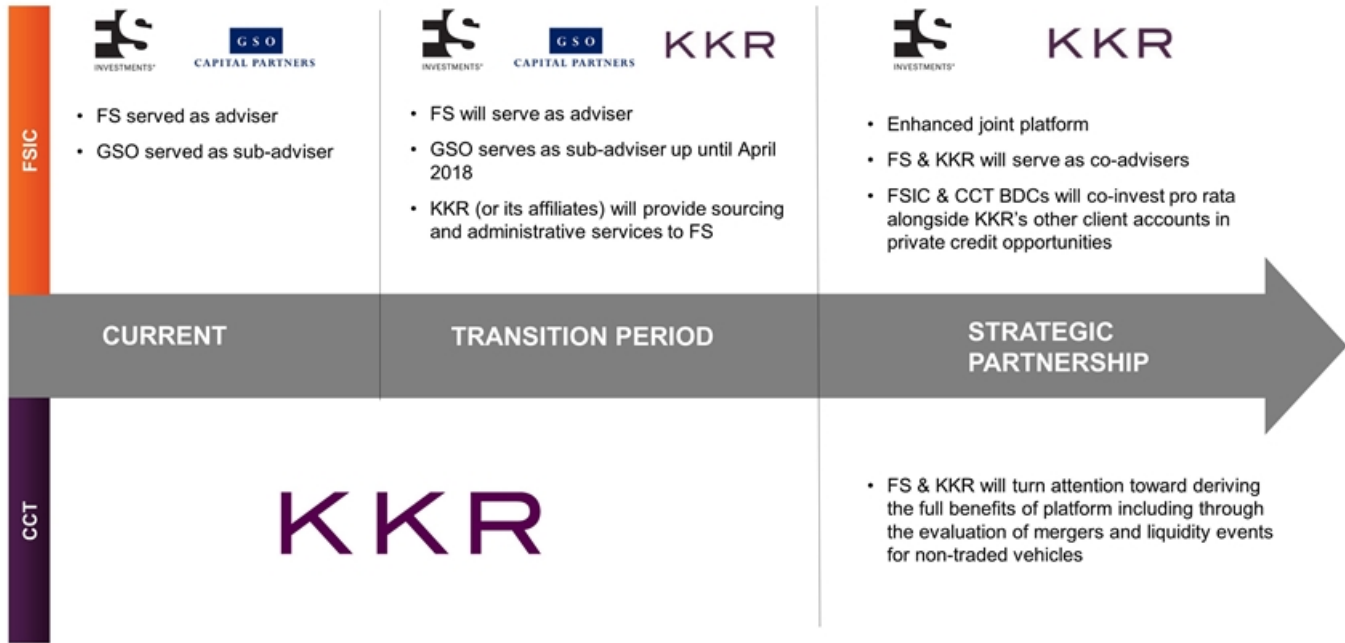
PARTNERSHIP BENEFITS



	FS + KKR PLATFORM	TRADITIONAL BDC PLATFORM
COVERAGE UNIVERSE	U.S. sponsors	✓
	International sponsors	✓
	Direct corporate	✓
	Financial intermediaries	✓
PRODUCT SUITE	Direct lending	✓
	Asset-based finance	✓
	Partnerships with leading investment management firms	✓
PLATFORM BENEFITS	Global investment platform	✓
	Leading capital markets franchise	✓
	Best-in-class distribution capabilities	✓
	Multi-asset class expertise	✓
	Cross-platform sourcing & diligence	✓
	Rigorous monitoring & risk management processes	✓

THE PATH FORWARD

COMMITTED TO A SEAMLESS TRANSITION FOR INVESTORS



PARTNERSHIP SUMMARY & KEY HIGHLIGHTS¹

6

BDCs

\$18B

AUM

150

SPONSORS

325

BORROWERS

20K

FINANCIAL ADVISORS

- ✓ Complementary long-term partnership to build the premier alternative lending platform
- ✓ Creation of scale advantages to drive returns
- ✓ Expanded investment opportunities and product offering
- ✓ FSIC and CCT combined platform creates opportunity to deliver greater value over time

¹ Metrics assume stockholder approval for all funds

DISCLOSURES

FORWARD-LOOKING STATEMENTS

This presentation may contain certain "forward-looking" statements as that term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995, including statements with regard to future events or the future performance or operations of FS Investment Corporation ("FSIC"), FS Investment Corporation II, FS Investment Corporation III, FS Investment Corporation IV, Corporate Capital Trust, Inc. ("CCT") and Corporate Capital Trust II (collectively, the "Funds"). Words such as "believes," "expects," "projects," and "future" or similar expressions are intended to identify forward-looking statements. These forward-looking statements are subject to the inherent uncertainties in predicting future results and conditions. Certain factors could cause actual results to differ materially from those projected in these forward-looking statements. Factors that could cause actual results to differ materially include changes in the economy, risks associated with possible disruption to a Fund's operations or the economy generally due to terrorism or natural disasters, future changes in laws or regulations and conditions in a Fund's operating area, and the price at which shares of FSIC's or CCT's common stock trade on the New York Stock Exchange. Some of these factors are enumerated in the filings the Funds makes with the Securities and Exchange Commission (the "SEC") and will also be contained in the Proxy Statements (as defined below) when such documents become available. The inclusion of forward-looking statements should not be regarded as a representation that any plans, estimates or expectations will be achieved. Any forward-looking statements speak only as of the date of this communication. The Funds undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on any of these forward-looking statements.

ADDITIONAL INFORMATION AND WHERE TO FIND IT

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PARTICIPANTS IN THE SOLICITATIONS

The Funds and their respective directors, trustees, executive officers and certain other members of management and employees, including employees of FS Investments, KKR & Co. L.P. and their respective affiliates, may be deemed to be participants in the solicitation of proxies from the stockholders of the Funds in connection with the Proposals. Information regarding the persons who may, under the rules of the SEC, be considered participants in the solicitation of the Funds' stockholders in connection with the Proposals will be contained in the Proxy Statements when such documents become available. These documents may be obtained free of charge from the sources indicated above.

KKR CAPSTONE

References to "KKR Capstone" or "Capstone" are to all or any of KKR Capstone Americas LLC, KKR Capstone EMEA LLP, KKR Capstone EMEA (International) LLP, KKR Capstone Asia Limited, and their affiliates, each of which are owned and controlled by their senior management. KKR Capstone is not a subsidiary or affiliate of KKR. KKR Capstone operates under several consulting agreements with KKR and uses the "KKR" name under license from KKR. References to operating executives, operating experts, or operating consultants are to employees of KKR Capstone and not to employees of KKR.

FS INVESTMENT CORPORATION BDC PLATFORM

Creating the premier BDC investment platform
to access broader sources of income and return

WHY THE CHANGE?



CREATE LONG-TERM PARTNERSHIP

- FS + KKR partnership creates an \$18B BDC platform with unrivaled scale
- Mutual commitment of resources
- Supported by existing \$45+ million sponsor investment from FS employees and affiliates¹



EXPAND INVESTMENT OPPORTUNITIES

- Expect ability to co-invest alongside KKR Credit's accounts
- Expand origination sources and footprint
- Originate investments with enhanced return potential



UTILIZE SCALE TO LOWER EXPENSES

- Lower management fee to 1.50%^{2,3}
- Combine asset bases to reduce administrative expenses
- Combine borrowing base to drive down financing costs



PREPARE FOR LIQUIDITY EVENT³

- Commence proxy solicitation in January 2018
- Target approval of new advisory agreements in March 2018
- 2H 2018: Evaluate liquidity events for the non-traded FS and KKR funds

¹ Sponsor investment refers to proceeds from investors affiliated with FS & in FSIC, FSIC II, FSIC III and FSIC IV, including members of the respective Fund's board of directors. As of November 6, 2017.

² Based on gross assets and subject to stockholder approval of new advisory agreements.

³ Refers to FSIC II, FSIC III, FSIC IV, CCT and CCT II, as applicable. The timing of any liquidity event is uncertain, cannot be assured and is subject to, among other factors, board approvals and market conditions.

A LONG-TERM PARTNERSHIP BUILDING THE PREMIER BDC PLATFORM

KKR is the right partner to adapt to changing markets and grow stockholder value

FULL ACCESS TO KKR CREDIT PLATFORM

FSIC franchise will gain ability to co-invest across KKR Credit's platform

LONG TRACK RECORD OF PARTNERSHIPS

KKR has a long history of working closely with other institutions in managing client assets

COMPLEMENTARY BUSINESSES

KKR businesses complement the FSIC franchise, including KKR Capital Markets and Asset Based Finance

ENSURE ALIGNMENT OF INTERESTS

Strategic partnership requires mutual commitment of resources and capital

KKR

FOUNDED IN 1976

\$153B

ASSETS UNDER
MANAGEMENT

\$15B

INTERNAL
BALANCE SHEET

~360

INVESTMENT
PROFESSIONALS

PRIVATE EQUITY & REAL ASSETS

\$88B AUM, ~260 investment professionals

KKR CREDIT

\$41B AUM
~100 investment professionals

\$22B

LEVERAGED
CREDIT

\$10B

PRIVATE
CREDIT

\$9B

SPECIAL
SITUATIONS

CAPITAL MARKETS

~40 capital markets professionals (~\$315B in global refinancings since inception)

HEDGE FUND PARTNERSHIPS

\$24B AUM

COMPLEMENTARY BUSINESSES DRIVE NEW INVESTMENT OPPORTUNITIES

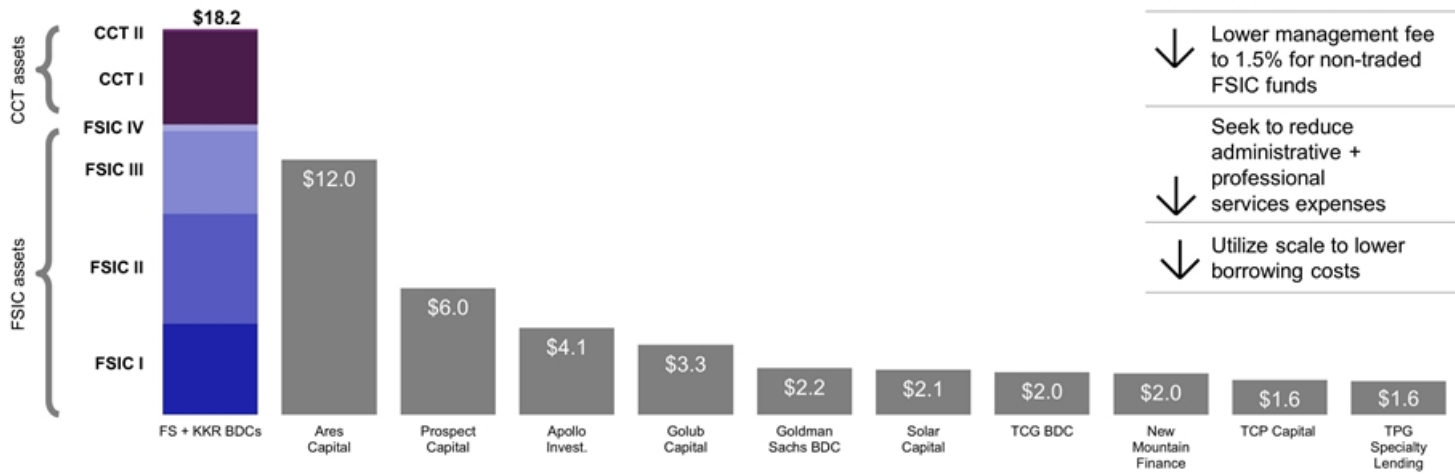
Generate new sources of income and return by offering a full suite of lending solutions

	TRADITIONAL BDC PLATFORM	FS + KKR PLATFORM	
U.S. FOOTPRINT Provide debt financing to private U.S. middle market companies	✓	✓	} BENEFITS OF CO-INVESTING alongside KKR Credit's platform
U.S. PRIVATE EQUITY SPONSOR COVERAGE Deal flow sourced primarily through U.S. private equity sponsors	✓	✓	
KKR CAPITAL MARKETS Expanded deal flow, efficient access to capital markets, continuous dialogue with issuers and sponsors		✓	
KKR ASSET BASED FINANCE Originate proprietary investments with potential for enhanced returns in specialty finance companies		✓	
INTERNATIONAL SPONSOR COVERAGE Expanded deal flow through international markets		✓	
NON-SPONSOR COVERAGE Expanded source of deal flow through new origination sources (e.g. family offices)		✓	

PLATFORM SCALE EXPECTED TO DRIVE COST SAVINGS

Combination of FS and KKR will create a diversified, industry-leading platform

ASSETS UNDER MANAGEMENT AS OF SEPTEMBER 30, 2017 (\$B)¹



SCALE HELPS REDUCE EXPENSES

- ↓ Lower management fee to 1.5% for non-traded FSIC funds
- ↓ Seek to reduce administrative + professional services expenses
- ↓ Utilize scale to lower borrowing costs

¹ Subject to stockholder approval. Assets under management (AUM) as of September 30, 2017. FS and KKR BDCs represented by total assets of FSIC, FSIC II, FSIC III, FSIC IV, CCT and CCT II. Ares Capital Corporation (ARCC), Prospect Capital Corporation (PSEC), Apollo Investment Corp (AINV), Golub Capital BDC Inc. (GBDC), Goldman Sachs BDC, Inc. (GSBD), Solar Capital (SLRC), TCG BDC, Inc. (CGBD), New Mountain Financial (NMFC) and TCP Capital Corp. (TCPC) and TPG Specialty Lending (TSLX)

PARTNERSHIP CREATES THE PREMIER BDC INVESTMENT PLATFORM

Unparalleled scale, resources and relationships to help grow stockholder value¹

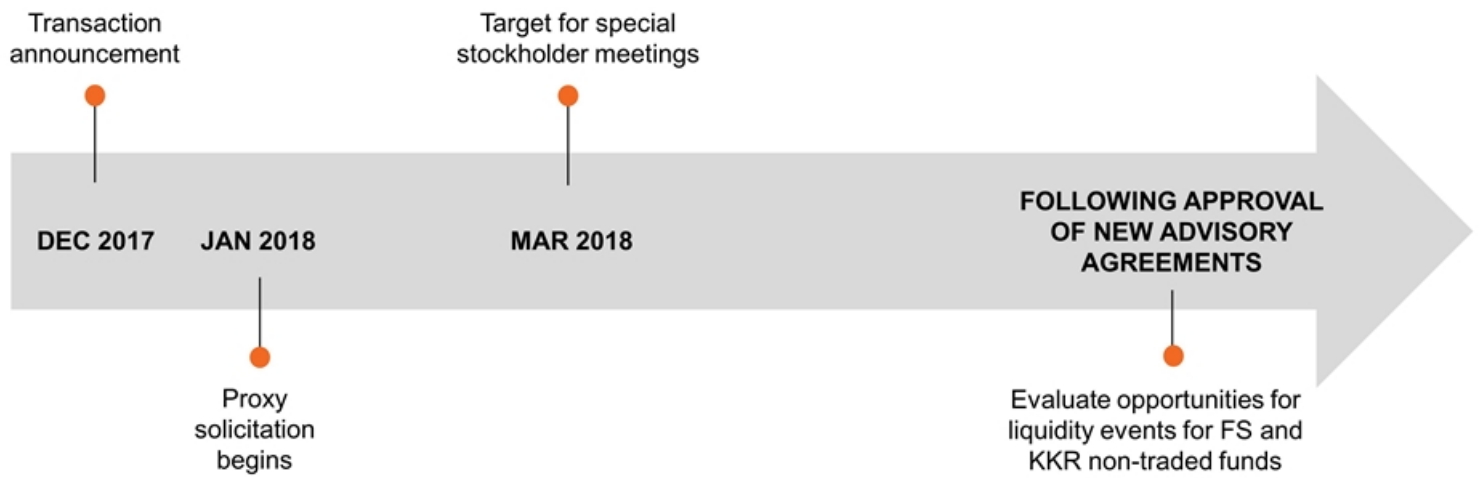
6 BDCS	✓ CREATE LONG-TERM PARTNERSHIP
\$18B AUM	✓ EXPAND INVESTMENT OPPORTUNITIES
150 SPONSORS	✓ UTILIZE SCALE TO LOWER EXPENSES
325 PORTFOLIO COMPANIES	✓ PREPARE FOR LIQUIDITY EVENT
280K INVESTORS	
20K FINANCIAL ADVISORS	

¹ As of September 30, 2017. AUM based on fair value.

² FSIC and KKR BDCs represented by total assets of FSIC, FSIC II, FSIC III, FSIC IV, CCT and CCT II.

A POTENTIAL PATH TO LIQUIDITY FOR NON-TRADED BDACS

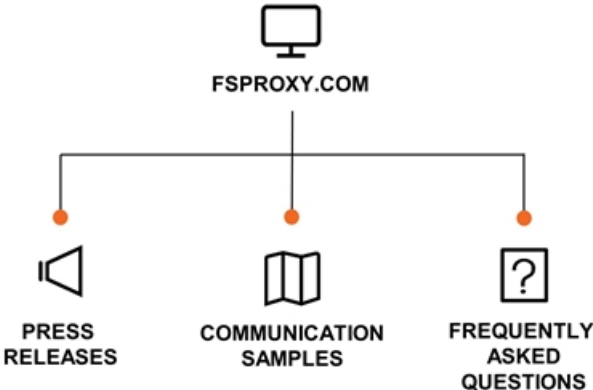
Proxy solicitation timeline for the FSIC franchise



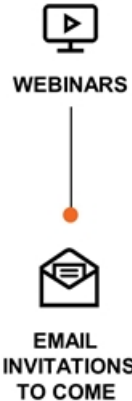
The timeline is subject to change based on the timing of regulatory and stockholder approvals. The timing of any liquidity event is uncertain, cannot be assured and is subject to, among other factors, board approval and market conditions.

RESOURCES

Website



Webinars



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