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

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**FORM 8-K**

**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): **August 9, 2017**

**FS Investment Corporation**

(Exact name of Registrant as specified in its charter)

**Maryland**  
(State or other jurisdiction of incorporation)

**814-00757**  
(Commission File Number)

**26-1630040**  
(I.R.S. Employer Identification No.)

**201 Rouse Boulevard**  
**Philadelphia, Pennsylvania**  
(Address of principal executive offices)

**19112**  
(Zip Code)

Registrant's telephone number, including area code: **(215) 495-1150**

**None**  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

- Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 2.02 Results of Operations and Financial Condition.**

On August 9, 2017, FS Investment Corporation (the “Company”) issued a press release (the “Press Release”) providing an overview of its operating results for the quarter ended June 30, 2017.

A copy of the Press Release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

**Item 7.01. Regulation FD Disclosure.**

On August 9, 2017, in the Press Release, the Company announced a regular cash distribution of \$0.22275 per share, which will be paid on or about October 3, 2017 to stockholders of record as of the close of business on September 20, 2017. The Company also announced that, subject to market conditions, the Company’s board of directors currently intends to reduce the regular cash distribution for the fourth quarter and subsequent quarters to \$0.19 per share and to make a special distribution in the fourth quarter of 2018 that equates to the cumulative amount, if any, of net investment income earned during the twelve months following October 1, 2017 that is in excess of \$0.76 per share.

Additionally, the Company announced that FB Income Advisor, LLC, the investment adviser to the Company (“FB Advisor”), has agreed, effective October 1, 2017 and through September 30, 2018, to (a) waive a portion of the base management fee to which it is entitled under the amended and restated investment advisory agreement between FB Advisor and the Company, dated as of July 17, 2014 (the “Investment Advisory Agreement”), so that the fee received equals 1.50% of the average value of the Company’s gross assets and (b) continue to calculate the subordinated incentive fee on income to which it is entitled under the Investment Advisory Agreement as if the base management fee was 1.75% of the average value of the Company’s gross assets.

The Press Release is incorporated herein by reference.

The Company will make available under the “Presentations and Reports” page within the “Investor Relations” section of the Company’s website ([www.fsinvestmentcorp.com](http://www.fsinvestmentcorp.com)) a presentation providing an overview of the Company’s operating results for the quarter ended June 30, 2017 in advance of its previously announced August 10, 2017 conference call.

**Forward-Looking Statements**

This Current Report on Form 8-K may contain certain forward-looking statements, including statements with regard to future events or the future performance or operation of the Company. 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 in the Company’s operations or the economy generally due to terrorism or natural disasters, future changes in laws or regulations and conditions in the Company’s operating area, and the price at which shares of common stock may trade on the New York Stock Exchange. Some of these factors are enumerated in the filings the Company makes with the Securities and Exchange Commission. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

<b>EXHIBIT NUMBER</b>	<b>DESCRIPTION</b>
99.1	Press Release, dated August 9, 2017.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**FS Investment Corporation**

Date: August 9, 2017

By: /s/ Stephen S. Sypherd  
Stephen S. Sypherd  
Vice President

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EXHIBIT INDEX

<u>EXHIBIT NUMBER</u>	<u>DESCRIPTION</u>
<a href="#">99.1</a>	<a href="#">Press Release, dated August 9, 2017.</a>

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**FSIC Reports Second Quarter 2017 Financial Results and Declares Regular Distribution for Third Quarter**

PHILADELPHIA, PA, August 9, 2017 – FS Investment Corporation (NYSE: FSIC), a publicly traded business development company focused on providing customized credit solutions to private middle market U.S. companies, announced its operating results for the quarter ended June 30, 2017, that its board of directors has declared its third quarter 2017 regular distribution and that its investment adviser has agreed to a one-year waiver of a portion of the base management fee payable by FSIC commencing on October 1, 2017.

**Financial Highlights for the Quarter Ended June 30, 2017<sup>1</sup>**

- **Net investment income of \$0.19 per share, compared to \$0.23 per share for the quarter ended June 30, 2016**
- **Adjusted net investment income of \$0.19 per share, compared to \$0.24 per share for the quarter ended June 30, 2016<sup>2</sup>**
- **Total net realized loss of \$0.06 per share and total net change in unrealized depreciation of \$0.05 per share, compared to a total net realized loss of \$0.03 per share and a total net change in unrealized appreciation of \$0.37 per share for the quarter ended June 30, 2016**
- **Paid cash distributions to stockholders totaling \$0.22275 per share<sup>3</sup>**
- **Total purchases of \$298.7 million versus \$310.6 million of sales and repayments**
- **Net asset value of \$9.30 per share, compared to \$9.45 per share as of March 31, 2017**

“FSIC’s recent performance is not reflective of our high standards,” said Michael C. Forman, Chairman and Chief Executive Officer of FSIC. “As we work to improve performance for our investors amid a persistent issuer-friendly environment, we’re committed to taking actions that we believe will position FSIC for future success.”

**Declaration of Regular Distribution for Third Quarter 2017**

FSIC’s board of directors has declared a regular cash distribution for the third quarter of \$0.22275 per share, which will be paid on or about October 3, 2017 to stockholders of record as of the close of business on September 20, 2017. Subject to market conditions, FSIC’s board of directors also currently intends to reduce the regular cash distribution for the fourth quarter and subsequent quarters to \$0.19 per share and to make a special distribution in the fourth quarter of 2018 that equates to the cumulative amount, if any, of net investment income earned during the twelve months following October 1, 2017 that is in excess of \$0.76 per share.

**Base Management Fee Waiver**

FB Income Advisor, LLC, the investment adviser to FSIC (“FB Advisor”), has agreed, effective October 1, 2017 and through September 30, 2018, to waive a portion of the base management fee to which it is entitled under the amended and restated investment advisory agreement between FB Advisor and FSIC, dated as of July 17, 2014, so that the fee received equals 1.50% of the average value of FSIC’s gross assets.

## Summary Consolidated Results

(dollars in thousands, except per share data) (all per share amounts are basic and diluted) <sup>1</sup>	Three Months Ended		
	June 30, 2017	March 31, 2017	June 30, 2016
Total investment income	\$ 98,695	\$ 106,064	\$ 110,211
Net investment income	46,460	52,590	56,840
Net increase (decrease) in net assets resulting from operations	18,442	63,393	140,157
Net investment income per share	\$ 0.19	\$ 0.22	\$ 0.23
Adjusted net investment income per share <sup>2</sup>	\$ 0.19	\$ 0.22	\$ 0.24
Total net realized and unrealized gain (loss) per share	\$ (0.11)	\$ 0.04	\$ 0.34
Net increase (decrease) in net assets resulting from operations (Earnings per Share)	\$ 0.08	\$ 0.26	\$ 0.58
Stockholder distributions per share <sup>3</sup>	\$ 0.22275	\$ 0.22275	\$ 0.22275
Net asset value per share at period end	\$ 9.30	\$ 9.45	\$ 9.18
Weighted average shares outstanding	245,107,405	244,554,969	243,435,681
Shares outstanding, end of period	245,153,010	244,599,661	243,488,590

(dollar amounts in thousands)	As of June 30, 2017	As of December 31, 2016
Total fair value of investments	\$ 3,899,777	\$ 3,726,816
Total assets	4,110,120	4,110,071
Total stockholders' equity	2,280,704	2,297,377

## Portfolio Highlights as of June 30, 2017

- Total fair value of investments was \$3.9 billion.
- Core investment strategies<sup>4</sup> represented 98% of the portfolio by fair value as of June 30, 2017, including 88% from direct originations and 10% from opportunistic investments. Broadly syndicated/other investments represented the remaining 2% of the portfolio by fair value.
- Gross portfolio yield prior to leverage (based on amortized cost and excluding non-income producing assets)<sup>5</sup> was 10.4%, compared to 10.2% as of March 31, 2017.
- Total commitments to direct originations (including unfunded commitments) made during the second quarter of 2017 was \$197.1 million in 13 companies, 10 of which were existing portfolio companies.
- Approximately 0.0% of investments were on non-accrual based on fair value.<sup>6</sup>

## Total Portfolio Activity

(dollar amounts in thousands)	Three Months Ended		
	June 30, 2017	March 31, 2017	June 30, 2016
Purchases	\$ 298,682	\$ 539,689	\$ 389,802
Sales and redemptions	(310,569)	(364,308)	(413,039)
<b>Net portfolio activity</b>	<b>\$ (11,887)</b>	<b>\$ 175,381</b>	<b>\$ (23,237)</b>

## Portfolio Data

	As of June 30, 2017	As of December 31, 2016
Total fair value of investments	\$ 3,899,777	\$ 3,726,816
Number of Portfolio Companies	107	102
Average Annual EBITDA of Portfolio Companies	\$ 88,600	\$ 100,000
Weighted Average Purchase Price of Debt Investments (as a % of par)	97.2%	98.6%
% of Investments on Non-Accrual (based on fair value) <sup>6</sup>	0.0%	0.2%

## Asset Class (based on fair value)

Senior Secured Loans — First Lien	60%	52%
Senior Secured Loans — Second Lien	7%	16%
Senior Secured Bonds	4%	4%
Subordinated Debt	15%	12%
Collateralized Securities	1%	2%
Equity/Other	13%	14%

Portfolio Composition by Strategy (based on fair value)<sup>4</sup>

Direct Originations	88%	88%
Opportunistic	10%	9%
Broadly Syndicated/Other	2%	3%

## Interest Rate Type (based on fair value)

% Variable Rate	66.5%	67.0%
% Fixed Rate	20.6%	19.4%
% Income Producing Equity/Other Investments	2.5%	2.7%
% Non-Income Producing Equity/Other Investments	10.4%	10.9%

Yields (based on amortized cost)<sup>5</sup>

Gross Portfolio Yield Prior to Leverage	9.4%	9.1%
Gross Portfolio Yield Prior to Leverage — Excluding Non-Income Producing Assets	10.4%	10.1%

## Direct Origination Activity

(dollar amounts in thousands)	Three Months Ended		
	June 30, 2017	March 31, 2017	June 30, 2016
Total Commitments (including unfunded commitments)	\$ 197,084	\$ 429,407	\$ 398,896
Exited Investments (including partial paydowns)	(218,280)	(322,068)	(386,600)
<b>Net Direct Originations</b>	<b>\$ (21,196)</b>	<b>\$ 107,339</b>	<b>\$ 12,296</b>

Direct Originations Portfolio Data	As of June 30, 2017	As of December 31, 2016
Total Fair Value of Direct Originations	\$ 3,443,288	\$ 3,264,395
Number of Portfolio Companies	74	67
Average Annual EBITDA of Portfolio Companies	\$ 68,800	\$ 64,600
Average Leverage Through Tranche of Portfolio Companies — Excluding Equity/Other and Collateralized Securities	4.7x	4.8x
% of Investments on Non-Accrual (based on fair value) <sup>6</sup>	—	0.1%

New Direct Originations by Asset Class (including unfunded commitments)	Three Months Ended		
	June 30, 2017	March 31, 2017	June 30, 2016
Senior Secured Loans — First Lien	97%	81%	76%
Senior Secured Loans — Second Lien	—	1%	6%
Senior Secured Bonds	1%	2%	2%
Subordinated Debt	—	15%	3%
Collateralized Securities	—	—	—
Equity/Other	2%	1%	13%
Average New Direct Origination Commitment Amount	\$ 15,160	\$ 35,784	\$ 49,862
Weighted Average Maturity for New Direct Originations	12/17/2022	3/2/2023	7/21/2020
Gross Portfolio Yield Prior to Leverage (based on amortized cost) of New Direct Originations Funded during Period <sup>5</sup>	9.6%	9.8%	9.1%
Gross Portfolio Yield Prior to Leverage (based on amortized cost) of New Direct Originations Funded during Period — Excluding Non-Income Producing Assets <sup>5</sup>	9.7%	10.0%	10.8%
Gross Portfolio Yield Prior to Leverage (based on amortized cost) of Direct Originations Exited during Period <sup>5</sup>	9.9%	9.1%	10.3%

## Leverage and Liquidity as of June 30, 2017

- Debt to equity ratio of 75%, based on \$1.72 billion in total debt outstanding and stockholders' equity of \$2.28 billion. FSIC's weighted average effective interest rate (including the effect of non-usage fees) was 4.18%
- Cash and foreign currency of approximately \$142.7 million and availability under its financing arrangements of \$267.6 million, subject to borrowing base and other limitations
- Twenty unfunded debt investments with aggregate unfunded commitments of \$166.8 million and two unfunded equity commitments with aggregate unfunded commitments of \$311 thousand



**Conference Call Information**

FSIC will host a conference call at 10:00 a.m. (Eastern Time) on Thursday, August 10, 2017, to discuss its second quarter financial results. All interested parties are welcome to participate. You can access the conference call by dialing (877) 443-2408 and using the conference ID 44291376 approximately 10 minutes prior to the call. The conference call will also be webcast, which can be accessed from the Investor Relations section of FSIC's website at [www.fsinvestmentcorp.com](http://www.fsinvestmentcorp.com) under Presentations and Reports.

A replay of the call will be available for a period of 30 days following the call by visiting the Investor Relations section of FSIC's website at [www.fsinvestmentcorp.com](http://www.fsinvestmentcorp.com) under Presentations and Reports.

**Supplemental Information**

An investor presentation of financial information will be made available prior to the call in the Investor Relations section of FSIC's website at [www.fsinvestmentcorp.com](http://www.fsinvestmentcorp.com) under Presentations and Reports.

**About FS Investment Corporation**

FS Investment Corporation (NYSE: FSIC) is a publicly traded business development company ("BDC") focused on providing customized credit solutions to private middle market U.S. companies. FSIC seeks to invest primarily in the senior secured debt and, to a lesser extent, the subordinated debt of private middle market companies to achieve the best risk-adjusted returns for its investors. In connection with its debt investments, FSIC may receive equity interests such as warrants or options.

FSIC is advised by FB Income Advisor, LLC, an affiliate of FS Investments, and is sub-advised by GSO / Blackstone Debt Funds Management LLC, an affiliate of GSO Capital Partners ("GSO"). GSO, with approximately \$94.5 billion in assets under management as of June 30, 2017, is the credit platform of Blackstone, one of the world's leading managers of alternative investments. For more information, please visit [www.fsinvestmentcorp.com](http://www.fsinvestmentcorp.com).

**About FS Investments**

FS Investments is a leading asset manager dedicated to helping individuals, financial professionals and institutions design better portfolios. The firm provides access to alternative sources of income and growth and focuses on setting industry standards for investor protection, education and transparency.

FS Investments is headquartered in Philadelphia, PA with offices in Orlando, FL and Washington, DC. The firm had more than \$20 billion in assets under management as of June 30, 2017.

Visit [www.fsinvestments.com](http://www.fsinvestments.com) to learn more.

**Forward-Looking Statements and Important Disclosure Notice**

This announcement may contain certain forward-looking statements, including statements with regard to future events or the future performance or operations of FSIC. 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 in FSIC's operations or the economy generally due to terrorism or natural disasters, future changes in laws or regulations and conditions in FSIC's operating area, 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 FSIC makes with the SEC. FSIC undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

The press release above contains summaries of certain financial and statistical information about FSIC. The information contained in this press release is summary information that is intended to be considered in the context of FSIC's SEC filings and other public announcements that FSIC may make, by press release or otherwise, from time to time. FSIC undertakes no duty or obligation to update or revise the information contained in this press release. In addition, information related to past performance, while helpful as an evaluative tool, is not necessarily indicative of future results, the achievement of which cannot be assured. Investors should not view the past performance of FSIC, or information about the market, as indicative of FSIC's future results.

Individual investors and endowments may have different investment horizons, liquidity needs and risk tolerances. In addition, fees that may be incurred by an investor in a fund sponsored by FS Investments may be different than fees incurred by an endowment investing in similar assets as those in which the funds invest.

### **Other Information**

The information in this press release is summary information only and should be read in conjunction with FSIC's quarterly report on Form 10-Q for the quarterly period ended June 30, 2017, which FSIC filed with the U.S. Securities and Exchange Commission (the "SEC") on August 9, 2017, as well as FSIC's other reports filed with the SEC. A copy of FSIC's quarterly report on Form 10-Q for the quarterly period ended June 30, 2017 and FSIC's other reports filed with the SEC can be found on FSIC's website at [www.fsinvestmentcorp.com](http://www.fsinvestmentcorp.com) and the SEC's website at [www.sec.gov](http://www.sec.gov).

### **Certain Information About Distributions**

The determination of the tax attributes of FSIC's distributions is made annually as of the end of its fiscal year based upon its taxable income and distributions paid, in each case, for the full year. Therefore, a determination as to the tax attributes of the distributions made on a quarterly basis may not be representative of the actual tax attributes for a full year. FSIC intends to update stockholders quarterly with an estimated percentage of its distributions that resulted from taxable ordinary income. The actual tax characteristics of distributions to stockholders will be reported to stockholders annually on Form 1099-DIV.

The timing and amount of any future distributions on FSIC's shares of common stock are subject to applicable legal restrictions and the sole discretion of its board of directors. There can be no assurance as to the amount or timing of any such future distributions, including the special distribution referenced herein.

FSIC may fund its cash distributions to stockholders from any sources of funds legally available to it, including proceeds from the sale of shares of FSIC's common stock, borrowings, net investment income from operations, capital gains proceeds from the sale of assets, non-capital gains proceeds from the sale of assets and dividends or other distributions paid to it on account of preferred and common equity investments in portfolio companies. FSIC has not established limits on the amount of funds it may use from available sources to make distributions. There can be no assurance that FSIC will be able to pay distributions at a specific rate or at all.

Contact Information:

### **Investors**

Chris Condelles  
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267-439-4365

Dominic Mammarella  
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215-220-4280

### **Media**

Marc Yaklofsky / Kate Beers  
[media@fsinvestments.com](mailto:media@fsinvestments.com)  
215-495-1174

## Income Statement

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2017	2016	2017	2016
<b>Investment income</b>				
From non-controlled/unaffiliated investments:				
Interest income	\$ 82,516	\$ 92,319	\$ 162,235	\$ 191,771
Fee income	9,546	15,335	29,076	16,977
From non-controlled/affiliated investments:				
Interest income	4,052	1,112	8,342	2,079
Fee income	2	633	31	633
Dividend income	—	—	—	224
From controlled/affiliated investments:				
Interest income	2,579	812	5,075	1,590
Total investment income	98,695	110,211	204,759	213,274
<b>Operating expenses</b>				
Management fees	18,367	17,574	36,734	35,386
Subordinated income incentive fees	11,617	14,210	24,764	26,695
Administrative services expenses	742	900	1,476	2,096
Accounting and administrative fees	255	235	520	463
Interest expense	19,617	18,064	39,056	36,958
Directors' fees	274	274	545	503
Other general and administrative expenses	1,363	2,114	2,614	4,395
Total operating expenses	52,235	53,371	105,709	106,496
Net investment income	46,460	56,840	99,050	106,778
<b>Realized and unrealized gain/loss</b>				
Net realized gain (loss) on investments:				
Non-controlled/unaffiliated investments	(14,147)	(7,648)	(62,594)	(21,427)
Non-controlled/affiliated investments	—	—	305	—
Controlled/affiliated investments	—	—	(52,879)	—
Net realized gain (loss) on foreign currency	61	94	184	178
Net change in unrealized appreciation (depreciation) on investments:				
Non-controlled/unaffiliated investments	(9,458)	86,922	119,802	32,219
Non-controlled/affiliated investments	(5,602)	1,919	(17,930)	8,286
Controlled/affiliated investments	4,132	705	(367)	2,338
Net change in unrealized appreciation (depreciation) on secured borrowing	—	—	(10)	—
Net change in unrealized gain (loss) on foreign currency	(3,004)	1,325	(3,726)	(312)
Total net realized and unrealized gain (loss)	(28,018)	83,317	(17,215)	21,282
<b>Net increase (decrease) in net assets resulting from operations</b>	<b>\$ 18,442</b>	<b>\$ 140,157</b>	<b>\$ 81,835</b>	<b>\$ 128,060</b>
<b>Per share information—basic and diluted</b>				
Net increase (decrease) in net assets resulting from operations (Earnings per Share)	\$ 0.08	\$ 0.58	\$ 0.33	\$ 0.53
Weighted average shares outstanding	245,107,405	243,435,681	244,832,713	243,141,349

## Balance Sheet

	June 30, 2017 (Unaudited)	December 31, 2016
<b>Assets</b>		
Investments, at fair value		
Non-controlled/unaffiliated investments (amortized cost—\$3,468,803 and \$3,509,899, respectively)	\$ 3,519,657	\$ 3,440,951
Non-controlled/affiliated investments (amortized cost—\$263,084 and \$153,167, respectively)	294,782	202,795
Controlled/affiliated investments (amortized cost—\$83,509 and \$80,874, respectively)	85,338	83,070
Total investments, at fair value (amortized cost—\$3,815,396 and \$3,743,940, respectively)	3,899,777	3,726,816
Cash	141,387	264,594
Foreign currency, at fair value (cost—\$1,195 and \$4, respectively)	1,321	4
Receivable for investments sold and repaid	30,555	75,921
Income receivable	28,609	36,106
Deferred financing costs	7,708	5,828
Prepaid expenses and other assets	763	802
<b>Total assets</b>	<b>\$ 4,110,120</b>	<b>\$ 4,110,071</b>
<b>Liabilities</b>		
Payable for investments purchased	\$ 10,800	\$ 5,748
Credit facilities payable	634,914	619,932
Unsecured notes payable (net of deferred financing costs of \$1,724 and \$1,884, respectively)	1,071,983	1,070,701
Secured borrowing, at fair value (amortized proceeds of \$2,834 and \$2,831, respectively)	2,893	2,880
Stockholder distributions payable	54,607	54,364
Management fees payable	18,367	18,022
Subordinated income incentive fees payable	11,617	12,885
Administrative services expense payable	559	516
Interest payable	22,288	20,144
Directors' fees payable	266	281
Other accrued expenses and liabilities	1,122	7,221
<b>Total liabilities</b>	<b>1,829,416</b>	<b>1,812,694</b>
Commitments and contingencies	—	—
<b>Stockholders' equity</b>		
Preferred stock, \$0.001 par value, 50,000,000 shares authorized, none issued and outstanding	—	—
Common stock, \$0.001 par value, 450,000,000 shares authorized, 245,153,010 and 244,063,357 shares issued and outstanding, respectively	245	244
Capital in excess of par value	2,271,623	2,261,040
Accumulated undistributed net realized gain/loss on investments and gain/loss on foreign currency	(219,258)	(104,274)
Accumulated undistributed (distributions in excess of) net investment income	137,984	148,026
Net unrealized appreciation (depreciation) on investments and secured borrowing and unrealized gain/loss on foreign currency	90,110	(7,659)
<b>Total stockholders' equity</b>	<b>2,280,704</b>	<b>2,297,377</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 4,110,120</b>	<b>\$ 4,110,071</b>
Net asset value per share of common stock at period end	\$ 9.30	\$ 9.41

**Non-GAAP Financial Measures**

This press release contains certain financial measures that have not been prepared in accordance with generally accepted accounting principles in the United States (“GAAP”). FSIC uses these non-GAAP financial measures internally in analyzing financial results and believes that the use of these non-GAAP financial measures is useful to investors as an additional tool to evaluate ongoing results and trends and in comparing FSIC’s financial results with other BDCs.

Non-GAAP financial measures are not meant to be considered in isolation or as a substitute for comparable GAAP financial measures, and should be read only in conjunction with FSIC’s consolidated financial statements prepared in accordance with GAAP. A reconciliation of non-GAAP financial measures to the most directly comparable GAAP measures has been provided in this press release, and investors are encouraged to review the reconciliation.

**Reconciliation of Non-GAAP Financial Measures<sup>1</sup>**

	<b>Three Months Ended</b>		
	<b>June 30, 2017</b>	<b>March 31, 2017</b>	<b>June 30, 2016</b>
GAAP net investment income per share	\$ 0.19	\$ 0.22	\$ 0.23
Plus capital gains incentive fees per share	—	—	—
Plus excise taxes per share	—	—	—
Plus one-time expenses per share	—	—	0.00
<b>Adjusted net investment income per share<sup>2</sup></b>	<b>\$ 0.19</b>	<b>\$ 0.22</b>	<b>\$ 0.24</b>

- 1) Per share data was derived by using the weighted average shares of FSIC’s common stock outstanding during the applicable period. Per share numbers may not sum due to rounding.
- 2) Adjusted net investment income is a non-GAAP financial measure. Adjusted net investment income is presented for all periods as GAAP net investment income excluding (i) the accrual for the capital gains incentive fee for realized and unrealized gains; (ii) excise taxes; and (iii) certain non-recurring operating expenses that are one-time in nature and are not representative of ongoing operating expenses incurred during FSIC’s normal course of business (referred to herein as one-time expenses). FSIC uses this non-GAAP financial measure internally in analyzing financial results and believes that the use of this non-GAAP financial measure is useful to investors as an additional tool to evaluate ongoing results and trends and in comparing its financial results with other business development companies. The presentation of this additional information is not meant to be considered in isolation or as a substitute for financial results prepared in accordance with GAAP. A reconciliation of GAAP net investment income to adjusted net investment income can be found above.
- 3) The per share data for distributions reflects the amount of distributions paid per share of our common stock to stockholders of record during each applicable period.
- 4) See FSIC’s quarterly report on Form 10-Q for the three months ended June 30, 2017 for a description of FSIC’s investment strategies.
- 5) Gross portfolio yield represents the expected annualized yield of FSIC’s investment portfolio based on the composition of the portfolio as of the applicable date. FSIC’s estimated gross portfolio yield may be higher than an investor’s yield on an investment in shares of FSIC’s common stock because it does not reflect sales commissions or charges that may be incurred in connection with the purchase or sale of such shares, or operating expenses that may be incurred by FSIC. FSIC’s estimated gross portfolio yield does not represent an actual investment return to stockholders, is subject to change and, in the future, may be greater or less than the rates set forth herein.
- 6) Interest income is recorded on an accrual basis. See FSIC’s quarterly report on Form 10-Q for the three months ended June 30, 2017 for a description of FSIC’s revenue recognition policy.