



FS INVESTMENT CORPORATION

Supplement dated April 15, 2010
to
Prospectus dated August 28, 2009

This supplement contains information which amends, supplements or modifies certain information contained in the Prospectus of FS Investment Corporation ("FSIC") dated August 28, 2009, as supplemented by the supplements dated October 13, 2009, November 20, 2009, January 19, 2010, February 18, 2010 and March 26, 2010.

You should carefully consider the "Risk Factors" beginning on page 29 of the Prospectus before you decide to invest.

Status of Our Initial Public Offering

In our monthly closing on April 1, 2010, we accepted subscriptions for 1,948,423 shares of our common stock at an average price per share of \$10.36 for corresponding gross proceeds of \$20,183,241. Since commencing our public offering on December 15, 2008, we have received and accepted subscriptions totaling \$158,171,133. Including \$1,000,008 contributed by principals of our investment adviser in February 2008, we have accepted subscriptions for gross proceeds of \$159,171,142 to date.

Portfolio Update

As of March 31, 2010, our investment portfolio consists of interests in 62 senior secured loans, second lien secured loans, senior secured bonds and mezzanine loans of U.S. and European companies with an average annual EBITDA of approximately \$374.0 million. As of March 31, 2010, the investments in our portfolio were purchased at an average price of 89.7% of par value. The weighted average credit rating of our portfolio is B3 based upon the Moody's scale and our estimated gross annual portfolio yield is 10.0%⁽¹⁾. We intend to continue to add securities to our portfolio as our offering progresses. The following is our investment portfolio as of March 31, 2010.

(1) Based upon the purchase price of our investments.

| Security | Industry | Date of Most Recent Purchase | Original Cost | Par Value |
|--|----------------------------|-------------------------------------|----------------------|------------------|
| FS Investment Corporation Portfolio (22.7%) | | | | |
| Senior Secured Loans – First Lien (10.0%) | | | | |
| Kenan Advantage Group, Inc., L+275, 12/16/11 | Industrials | Mar-09 | \$ 740,402 | \$ 987,203 |
| West Corp, L+500, 10/24/13 | Telecommunication Services | Mar-09 | \$ 430,908 | \$ 493,878 |
| Columbian Chemicals, L+600, 3/16/13 | Materials | Apr-09 | \$ 744,869 | \$ 1,201,402 |
| Intralinks, L+275, 6/15/14 | Information Technology | May-09 | \$ 1,073,024 | \$ 1,476,338 |
| WCP Exposition Services, L+600, 8/29/11 | Consumer Discretionary | Jun-09 | \$ 246,034 | \$ 543,721 |
| Corel Corporation, L+400, 5/2/12 | Information Technology | Aug-09 | \$ 1,183,420 | \$ 1,433,798 |
| 1-800 Contacts, L+395, 3/4/15 | Healthcare | Jul-09 | \$ 2,689,452 | \$ 3,071,410 |
| Mosaic Sales Solutions, L+275, 4/3/13 | Consumer Discretionary | Oct-09 | \$ 577,834 | \$ 888,975 |
| Yell Group Plc, L+300, 7/31/14 | Consumer Discretionary | Oct-09 | \$ 644,425 | \$ 845,147 |
| Revlon Consumer Products Corporation, L+400, 3/9/15 | Consumer Discretionary | Mar-10 | \$ 4,323,000 | \$ 4,400,000 |
| MultiPlan, Inc., L+425, 4/12/13 | Healthcare | Mar-10 | \$ 2,475,000 | \$ 2,500,000 |
| Custom Building Products, L+400, 3/17/15 | Materials | Mar-10 | \$ 2,475,000 | \$ 2,500,000 |
| Senior Secured Loans – Second Lien (8.2%) | | | | |
| Bresnan Communications LLC, L+450, 3/29/14 | Telecommunication Services | Jan-09 | \$ 360,000 | \$ 500,000 |
| Harrington Holdings, L+600, 7/11/14 | Healthcare | Apr-09 | \$ 640,000 | \$ 1,000,000 |
| Sirius Computer, L+600, 5/30/13 | Information Technology | Aug-09 | \$ 2,065,000 | \$ 3,000,000 |
| Awesome Acquisition Company (CiCi), L+500, 6/4/14 | Consumer Discretionary | Oct-09 | \$ 2,125,902 | \$ 2,939,757 |
| AmWINS Group, Inc., L+550, 6/8/14 | Financials | Oct-09 | \$ 180,000 | \$ 300,000 |
| ILC Holdings, Inc., 11.5%, 6/30/12 | Industrials | Dec-09 | \$ 4,000,000 | \$ 4,000,000 |
| Datatel, Inc., L+825, 12/10/16 | Information Technology | Dec-09 | \$ 4,900,000 | \$ 5,000,000 |
| Mezzanine Debt / Other (4.5%) | | | | |
| ATI Enterprises Inc., L+1100, 12/15/16 | Consumer Discretionary | Jan-10 | \$ 7,892,500 | \$ 8,000,000 |
| Base CLO I Class E, EURIBOR+500, 10/17/18 | Financials | Mar-10 | \$ 912,740 | \$ 2,051,100 |
| Broad Street Portfolio (77.3%) | | | | |
| Senior Secured Loans – First Lien (47.7%) | | | | |
| First Data Corporation, L+275, 9/24/14 | Information Technology | Dec-09 | \$ 2,284,111 | \$ 2,977,157 |
| Quantum Corp, L+350, 7/12/14 | Information Technology | Apr-09 | \$ 742,473 | \$ 894,546 |
| Contec LLC, L+475, 7/28/14 | Telecommunication Services | May-09 | \$ 1,568,128 | \$ 1,978,659 |
| Clientlogic Corporation (Sitel), L+550, 1/30/14 | Telecommunication Services | Jun-09 | \$ 871,443 | \$ 1,210,338 |
| Caritor, Inc. (Keane), L+225, 6/4/13 | Information Technology | Jul-09 | \$ 1,498,745 | \$ 1,962,225 |
| AmWINS Group, Inc., L+250, 6/8/13 | Financials | Oct-09 | \$ 748,825 | \$ 972,500 |
| CamelBak Products, Prime+475, 8/4/11 | Consumer Discretionary | Oct-09 | \$ 1,662,809 | \$ 1,817,278 |
| Edwards Limited, L+200, 5/31/14 | Industrials | Oct-09 | \$ 1,244,800 | \$ 1,945,000 |
| InfrastruX Group, Inc., L+500, 0.5% PIK, 11/3/12 | Industrials | Oct-09 | \$ 663,922 | \$ 721,654 |
| SemGroup, L+700, 11/30/12 | Energy | Nov-09 | \$ 3,800,000 | \$ 4,000,000 |
| Green Tree Financial, L+575, 12/15/15 | Financials | Dec-09 | \$ 2,793,000 | \$ 2,940,000 |
| National Processing Company, L+500, 10/31/13 | Information Technology | Dec-09 | \$ 1,129,725 | \$ 1,192,322 |
| NCO Group, L+500, 5/15/13 | Information Technology | Mar-10 | \$ 5,222,507 | \$ 5,628,161 |
| Clarke American, L+250, 6/30/14 | Industrials | Dec-09 | \$ 1,744,781 | \$ 2,477,106 |
| Texas Competitive Electric Holdings (TXU Corp.), L+350, 10/10/14 | Utilities | Jan-10 | \$ 4,976,430 | \$ 6,456,794 |
| Smurfit-Stone Container Enterprises, Inc., L+475, 2/10/16 | Industrials | Feb-10 | \$ 6,930,000 | \$ 7,000,000 |
| Global Tel Link, L+400, 3/2/15 | Telecommunication Services | Feb-10 | \$ 2,475,000 | \$ 2,500,000 |
| Anchor Glass Container Corp, L+400, 2/25/16 | Industrials | Feb-10 | \$ 3,818,572 | \$ 3,857,143 |
| Ceridian Corporation, L+300, 11/9/14 | Industrials | Mar-10 | \$ 4,475,000 | \$ 5,000,000 |
| Intergraph, L+400, 5/29/14 | Information Technology | Mar-10 | \$ 4,950,000 | \$ 5,000,000 |
| KIK Custom Products, L+225, 6/2/14 | Consumer Staples | Mar-10 | \$ 4,325,000 | \$ 5,000,000 |
| Pierre Foods, Inc., L+500, 3/1/16 | Consumer Staples | Mar-10 | \$ 4,975,000 | \$ 5,000,000 |
| Vertafore, Inc., L+400, 7/31/14 | Information Technology | Mar-10 | \$ 1,960,000 | \$ 2,000,000 |
| Custom Building Products, L+400, 3/17/15 | Materials | Mar-10 | \$ 4,158,000 | \$ 4,200,000 |
| International Lease Finance Corporation, L+486, 3/15/15 | Industrials | Mar-10 | \$ 3,528,000 | \$ 3,600,000 |
| Avaya, Inc., L+275, 10/24/14 | Information Technology | Mar-10 | \$ 4,407,500 | \$ 5,000,000 |
| Spansion, Inc., L+550, 1/8/15 | Information Technology | Apr-10 | \$ 6,007,500 | \$ 6,000,000 |
| LyondellBasell Industries, L+400, 4/30/16 | Materials | Mar-10 | \$ 1,346,400 | \$ 1,360,000 |
| Ardent Health Services, LLC, L+500, 9/15/15 | Healthcare | Mar-10 | \$ 4,950,000 | \$ 5,000,000 |

| <u>Security</u> | <u>Industry</u> | <u>Date of Most Recent Purchase</u> | <u>Original Cost</u> | <u>Par Value</u> |
|---|----------------------------|-------------------------------------|-----------------------|-----------------------|
| Senior Secured Loans – Second Lien (21.8%) | | | | |
| Intergraph, L+825, 11/28/14 | Information Technology | Mar-10 | \$ 2,857,500 | \$ 3,000,000 |
| Allen Systems Group, L+800, 2.0% PIK, 4/19/14 | Information Technology | Oct-09 | \$ 3,790,000 | \$ 4,000,000 |
| Asurion Corp, L+650, 7/3/15 | Financials | Dec-09 | \$ 2,552,500 | \$ 3,000,000 |
| Dresser Inc., L+575, 5/4/15 | Energy | Dec-09 | \$ 5,352,788 | \$ 6,405,000 |
| Aspect Software Group, L+700, 6/29/12 | Information Technology | Jan-10 | \$ 3,890,000 | \$ 5,500,000 |
| Attachmate Corporation, L+675, 10/13/13 | Information Technology | Jan-10 | \$ 4,127,500 | \$ 5,000,000 |
| Wm. Bolthouse Farms, Inc., L+750, 8/9/16 | Consumer Staples | Mar-10 | \$ 6,976,250 | \$ 7,000,000 |
| FR Brand Acquisition Corp, L+640, 2/7/15 | Industrials | Mar-10 | \$ 4,000,000 | \$ 5,000,000 |
| Tenaska Power Fund, L+425, 12/15/14 | Energy | Mar-10 | \$ 5,437,627 | \$ 6,170,058 |
| Senior Secured Bonds (4.3%) | | | | |
| Paetec Communications, 8.9%, 6/30/17 | Telecommunication Services | Jan-10 | \$ 2,355,230 | \$ 2,330,000 |
| Reader's Digest Association, Inc., L+650, 2/15/17 | Consumer Discretionary | Feb-10 | \$ 5,820,000 | \$ 6,000,000 |
| Mezzanine Debt / Other (3.5%) | | | | |
| N.E.W. Customer Service Companies, Inc., L+750, 3/22/17 | Industrials | Mar-10 | \$ 6,930,000 | \$ 7,000,000 |
| | | | \$ 184,026,573 | \$ 205,228,668 |

The tables below show portfolio investments that were sold or experienced a repayment in excess of 1% of a position's value between February 12, 2010 and March 31, 2010.

| <u>Security</u> | <u>Original Cost</u> | <u>Disposition Price</u> | <u>Transaction Type</u> |
|---|----------------------|--------------------------|--------------------------|
| Apptis, Inc., L+325, 12/20/12 | \$ 588,718 | \$ 782,537 | Sale |
| Bucyrus International, Inc., L+300, 12/20/12 | \$4,975,000 | \$ 5,042,500 | Sale |
| Data Transmission Network Corp., L+500, 3/10/13 | \$ 406,440 | \$ 456,661 | Sale |
| Vertellus Specialties, Inc., L+425, 12/10/12 | \$ 395,675 | \$ 481,385 | Sale |
| Safenet, Inc., L+250, 4/12/14 | \$ 339,023 | \$ 465,228 | Sale |
| Carmike Cinemas, L+350, 1/30/16 | \$ 990,000 | \$ 998,750 | Sale |
| N.E.W. Customer Service Companies, Inc., L+425, 3/22/16 | \$2,970,000 | \$ 2,985,000 | Sale |
| Cedar Fair Entertainment Company, L.P., L+375, 8/15/14 | \$7,960,000 | \$ 7,960,000 | Cancelled ⁽¹⁾ |

(1) Loan proceeds were to be used to finance a planned acquisition of Cedar Fair Entertainment Company, which was abandoned subsequent to our purchase. All trades in the security were cancelled prior to settlement.

| <u>Security</u> | <u>Weighted Average Purchase Price⁽¹⁾</u> | <u>Weighted Average Disposition Price⁽¹⁾</u> | <u>Paydown Amount</u> | <u>Transaction Type</u> |
|---|--|---|-----------------------|-------------------------|
| Apptis, Inc., L+325, 12/20/12 | 73.3 | 100.0 | \$ 75,549 | Paydown |
| Building Materials Corp. of America, L+575, 10/6/14 | 81.5 | 100.0 | \$2,000,000 | Paydown |
| CamelBak Products, Prime+475, 8/4/11 | 91.5 | 100.0 | \$ 149,096 | Paydown |
| Caritor, Inc. (Keane, Inc.), L+225, 6/4/13 | 76.4 | 100.0 | \$ 25,943 | Paydown |
| Columbian Chemicals, L+600, 3/16/13 | 62.0 | 100.0 | \$ 15,386 | Paydown |
| Corel Corporation, L+400, 5/2/12 | 82.5 | 100.0 | \$ 134,744 | Paydown |
| Custom Building Products, L+800, 4/20/12 | 97.3 | 100.0 | \$2,500,000 | Paydown |
| Data Transmission Network Corp., L+500, 3/10/13 | 87.0 | 100.0 | \$ 15,459 | Paydown |
| Global Tel Link Corporation, L+600, 2/14/13 | 87.8 | 100.0 | \$ 401,044 | Paydown |
| Green Tree Financial, L+575, 12/15/15 | 95.0 | 100.0 | \$ 60,000 | Paydown |
| NCO Group, L+500, 5/15/13 | 92.9 | 100.0 | \$ 146,906 | Paydown |
| Pierre Foods, Inc., L+600, 9/30/14 | 97.0 | 100.0 | \$2,850,000 | Paydown |
| Sitel a.k.a. Clientlogic Corp., L+550, 1/30/14 | 72.0 | 100.0 | \$ 789,662 | Paydown |

(1) As a percentage of par value.