

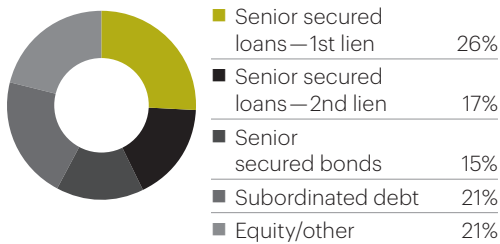
## FS ENERGY & POWER FUND

FS Energy & Power Fund (FSEP) is a business development company designed to provide income and growth. It invests primarily in the debt and, to a lesser extent, equity securities of private U.S. energy and power companies. It closed to new investors in November 2016.

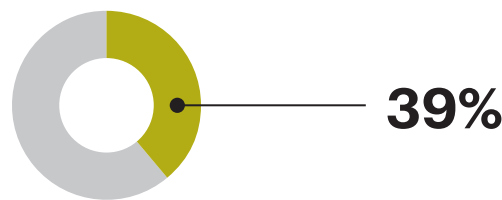
### Portfolio composition<sup>1</sup>

These percentages may change over time depending on market conditions.

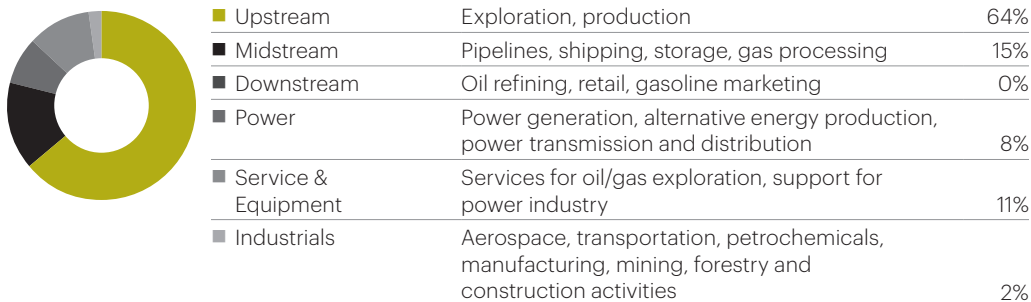
#### Asset type



#### Floating rate assets



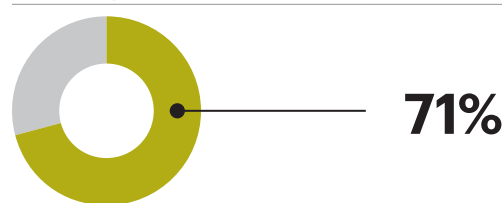
#### Subsector weightings



#### Top 10 holdings<sup>1,2</sup>

FourPoint Energy, LLC	10.8%
Ascent Resources Utica Holdings, LLC	7.0%
Chisholm Oil and Gas Operating, LLC	6.0%
Eagle Midstream Canada Finance Inc.	5.0%
Allied Wireline Services, LLC	3.8%
Velvet Energy Ltd.	3.6%
Canbriam Energy Inc.	3.2%
Arena Energy, LP	3.2%
Altus Power America, Inc.	3.1%
NuStar	3.0%

#### Direct originations<sup>3</sup>



### Key facts

#### Adviser

FS/EIG Advisor, LLC

#### Net asset value

\$6.51

#### Annualized distribution rate<sup>4</sup> (based on net asset value)

7.68%

#### Annualized distribution amount<sup>4</sup>

\$0.50

#### Distribution reinvestment price<sup>5</sup>

\$6.60

#### Inception date

July 18, 2011

#### Total assets under management

\$3.8 billion

#### Number of portfolio companies

64

#### One-time share distribution paid 2/16/2012<sup>6</sup>

1.00%

#### Total cash distributions paid per share since inception<sup>6</sup> (as of 7/31/2018)

\$4.68

#### Distribution frequency<sup>7</sup>

Monthly

#### Liquidity<sup>8</sup>

Quarterly tender offers

#### Tax reporting

Form 1099-DIV

An investment in FS Energy and Power Fund involves a high degree of risk and may be considered speculative. Investors are advised to read and carefully consider the risk factors and other important information found in FS Energy and Power Fund's reports filed with the U.S. Securities and Exchange Commission.

This fact sheet is intended for informational use and is not intended as investment advice or for trading purposes. See attached performance sheet for shareholder returns. For additional information, contact your financial advisor.

Percentages and other numbers in this fact sheet may have been rounded.

Our investment policy is to invest, under normal circumstances, at least 80% of our total assets in securities of energy and power companies. The revenues, income (or losses) and valuations of energy and power companies can fluctuate suddenly and dramatically due to a number of environmental, regulatory, political and general market risks, which have historically impacted our financial performance and may continue to in the future. For information about the fund's financial performance, visit [www.fsinvestments.com](http://www.fsinvestments.com).

## RISK FACTORS

The following are some of the risks an investment in our common shares involves; however, you should carefully consider all of the information found in FSEP's annual report on Form 10-K and other reports filed with the SEC.

- Because there is no public trading market for our common shares and we are not obligated to effectuate a liquidity event by a specified date, it will be difficult for you to sell your common shares. If you are able to sell your common shares before we complete a liquidity event, it is likely that you will receive less than what you paid for them. While we intend to conduct quarterly tender offers for our common shares, only a limited number of our common shares will be eligible for repurchase and we may suspend or terminate the share repurchase program at any time.
- Our distributions may be funded from unlimited amounts of offering proceeds or borrowings, which may constitute a return of capital and reduce the amount of capital available to us for investment. Any capital returned to shareholders through distributions will be distributed after payment of fees and expenses.
- An investment strategy focused primarily on privately held companies presents certain challenges, including the lack of available information about these companies.
- Investing in middle market companies involves a number of significant risks, any one of which could have a material adverse effect on our operating results.
- A lack of liquidity in certain of our investments may adversely affect our business.
- We are subject to financial market risks, including changes in interest rates, which may have a substantial negative impact on our investments.
- We have borrowed funds to make investments, which increases the volatility of our investments and may increase the risks of investing in our securities.
- FSEP is a long-term investment for persons of adequate financial means who have no need for liquidity in their investment. To invest in FSEP, an investor must have either (i) a net worth of at least \$70,000 and an annual gross income of at least \$70,000, or (ii) a net worth of at least \$250,000. Some states, such as Kansas, impose higher suitability standards.
- Portions of our distributions to shareholders were funded from the reimbursement of certain expenses, including through the offset of certain investment advisory fees, that are subject to repayment to our affiliate, FS Investments, and our future distributions may be funded from such offsets and reimbursements. Significant portions of these distributions may not be based on our investment performance and such offsets and reimbursements by FS Investments may not continue in the future. If FS Investments had not agreed to reimburse certain of our expenses, including through the offset of certain advisory fees, significant portions of these distributions would have come from offering proceeds or borrowings. The repayment of amounts owed to FS Investments will reduce the future distributions to which you would otherwise be entitled.

1 Calculated as a percentage of fair value. Fair value is determined by FSEP's board of trustees.

2 Securities may be an obligation of one or more entities affiliated with the named company.

3 Broadly syndicated/other investments comprised 29% of FSEP's portfolio.

4 Annualized distribution rate is expressed as a percentage equal to the projected annualized distribution amount per share (which is calculated by annualizing the monthly cash distribution amount, as of June 30, 2018, without compounding), divided by the net asset value as of June 30, 2018. The annualized distribution rate shown may be rounded. For the six months ended June 30, 2018, FSEP's distributions were sourced 100% from net investment income. The determination of the tax attributes of FSEP's distributions is made annually at the end of FSEP's fiscal year and a determination made on an interim basis may not be representative of the actual tax attributes of FSEP's distributions for a full year. The actual tax characteristics of distributions to shareholders are reported to shareholders annually on Form 1099-DIV. The payment of future distributions on FSEP's common shares is subject to the discretion of FSEP's board of trustees and applicable legal restrictions and, therefore, there can be no assurance as to the amount or timing of any such future distributions. The distribution rate is not guaranteed, and may change or be discontinued at any time.

5 As of June 30, 2018. The distribution reinvestment price is subject to change. The price at which FSEP's common shares are issued under its distribution reinvestment plan is determined by FSEP's board of trustees, or a committee thereof, at a price per share that is (i) not less than the NAV per share immediately prior to the payment of the distribution and (ii) not more than 2.5% greater than the NAV per share as of such date.

6 One-time share distribution paid (%) is calculated as the total special share distributions since the fund's inception as a percentage of total shares outstanding as of the date of the distribution, on February 16, 2012 (one paid to date). Total cash distributions paid per share (\$) are calculated as the total regular cash distributions paid since inception on a per share basis as of July 31, 2018. The payment of future distributions on FSEP's common shares is subject to the sole discretion of FSEP's board of trustees and applicable legal restrictions and, therefore, there can be no assurance as to the amount or timing of any such future distributions.

7 The payment of future distributions on FSEP's common shares is subject to the sole discretion of FSEP's board of trustees and applicable legal restrictions and, therefore, there can be no assurance as to the amount or timing of any such future distributions.

8 FSEP intends to repurchase a limited number of common shares pursuant to its share repurchase program. FSEP may amend, suspend or terminate its share repurchase program at any time. In addition, any such purchases will be at the distribution reinvestment price on the date of repurchase.