



INVESTMENTS®

# Fact sheet

As of 11/30/2018

unless otherwise noted

Class I: FCRIX Class A: FCREX Class T: FCRTX

## FS Credit Income Fund

A multi-sector alternative income fund

ACTIVELY MANAGED, FLEXIBLE STRATEGY SEEKING TO ACCESS DIFFERENTIATED SOURCES OF INCOME<sup>1</sup>

MANAGERS WITH EXTENSIVE CREDIT EXPERIENCE

INTERVAL FUND STRUCTURE TO OPTIMIZE INVESTMENT MANAGEMENT FLEXIBILITY

Performance (total returns)	Inception date	Net asset value (NAV) <sup>2</sup>	Annualized distribution rate <sup>3</sup>	MTD	QTD	YTD	1 year	Since inception
FCRIX (Class I at NAV)	11/1/17	\$12.66	5.92%	-1.71%	-2.54%	4.17%	6.01%	5.31%
FCREX (Class A at NAV) with maximum sales load	6/1/18	\$12.63	5.81%	-1.71%	-2.62%	—	—	0.81%
FCRTX (Class T at NAV) with maximum sales load	8/14/18	\$12.66	5.76%	-1.71%	-2.62%	—	—	-1.48%
				-5.17%	-6.01%	—	—	-4.91%

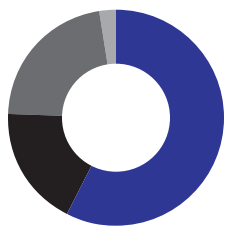
The maximum sales load is 5.75% for Class A shares and 3.50% for Class T shares.

### Benchmarks

								Since 11/1/2017
Bloomberg Barclays U.S. Aggregate Bond Index	—	—	—	0.60%	-0.20%	-1.79%	-1.34%	-1.36%
S&P/LSTA Leveraged Loan Index	—	—	—	-0.90%	-0.93%	3.06%	3.47%	3.32%
ICE BofAML U.S. High Yield Index	—	—	—	-0.91%	-2.53%	-0.07%	0.22%	-0.05%

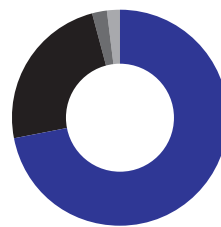
Performance data quoted represents past performance and is no guarantee of future results. Class I shares have no sales charges; therefore performance is at NAV. Returns less than one year are cumulative; all others are annualized. QTD and YTD information is provided on a calendar-year basis. Total return figures reflect changes in share price and reinvestment of dividend and capital gain distributions. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost, and current performance may be lower or higher than the performance quoted. For performance data current to the most recent month-end, please call 877-628-8575 or visit our website at [www.fsinvestments.com](http://www.fsinvestments.com). The benchmarks are shown for illustrative purposes only. An investment cannot be made directly in an index. The Fund's actual investments and performance may differ substantially from those of the indices presented. See index definitions on the next page.

### Portfolio allocations<sup>4</sup>



#### Composition

Bonds	57.6%
Loans	18.1%
Structured products	22.0%
Emerging market debt	2.3%



#### Geography

North America	72.1%
Europe	23.9%
South America	2.3%
Other	1.8%

### Top 10 holdings<sup>5</sup> (as of 7/31/2018)

Puerto Rico Sales Tax Financing Corp.	5.0%	Bausch Health Companies, Inc.	1.7%
Frontier Communications Corp.	4.0%	Provincia de Entre Rios	1.6%
Herbalife Nutrition Ltd.	2.4%	SoLocal Group	1.6%
Ardent Health Partners	1.9%	UTEX Industries, Inc.	1.5%
BPP Pristine Holdings	1.9%	ARESE 7X CRNE	1.5%

Holdings are subject to change.

### Key facts

Duration	2.66	Portfolio companies	236
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### Manager

FS Investments

### Sub-adviser

GoldenTree Asset Management

## Fund

<b>Objective</b>	Seeks to generate an attractive total return consisting of current income and capital appreciation by investing in a diverse range of income-producing credit investments
<b>Sponsor commitment<sup>6</sup></b>	\$45 million
<b>Distributions<sup>3</sup></b>	Quarterly
<b>Repurchase offers<sup>7</sup></b>	Quarterly (no less than 5% of shares outstanding and no more than 25% of shares outstanding)
<b>Tax reporting</b>	Form 1099-DIV
<b>Structure</b>	Non-diversified, closed-end interval fund

## Share classes

	<b>Class I</b>	<b>Class A</b>	<b>Class T</b>
<b>Ticker</b>	FCRIX	FCREX	FCRTX
<b>CUSIP</b>	30300R203	30300R104	30300R500
<b>Minimum initial investment<sup>8</sup> (non-qualified)</b>	\$1 million	\$2,500	\$2,500
<b>Minimum initial investment<sup>8</sup> (qualified)</b>	\$1 million	\$1,000	\$1,000
<b>Net expense ratio<sup>4</sup>*</b>	2.34%	2.59%	2.84%
<b>Net expense ratio<sup>4</sup>*</b> (excluding estimated interest expense associated with expected use of leverage)	1.85%	2.10%	2.35%

- 1 Differentiated sources of income refers to non-core fixed income investments (including, but not limited to, emerging market government debt, high yield bonds, emerging market corporate debt and structured products). The yield of these investments may be higher than those of core fixed income investments (including, but not limited to, U.S. Treasuries, investment grade corporate bonds and U.S. municipal bonds). Investing in non-core asset classes may carry increased risks as compared to core fixed income assets, including credit risk and liquidity risk.
- 2 FS Credit Income Fund's NAV per common share of each class as of the date indicated is the NAV determined by FS Credit Income Fund for purposes of complying with the requirements of Section 23(b) of the Investment Company Act of 1940, as amended, and has not been approved by FS Credit Income Fund's board of trustees. FS Credit Income Fund's NAV per common share may increase or decrease in the future, and any such change may be material.
- 3 The annualized distribution rate shown is expressed as a percentage equal to the projected annualized distribution amount per share (which is calculated by annualizing the most recent quarterly cash distribution per share declared as of the date indicated, without compounding), divided by the Fund's NAV per share as of the date indicated, in each case on a per-class basis. The Fund intends to pay ordinary cash distributions quarterly. The payment of future distributions on FS Credit Income Fund's common shares is subject to the discretion of FS Credit Income Fund'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 determination of the tax attributes of FS Credit Income Fund's distributions is made annually at the end of FS Credit Income Fund's fiscal year, and a determination made on an interim basis may not be representative of the actual tax attributes of FS Credit Income Fund's distributions for a full year. The actual tax characteristics of distributions to shareholders are reported to shareholders annually on Form 1099-DIV. The Fund may pay distributions in significant part from sources that may not be available in the future and that are unrelated to the Fund's performance, such as return of capital or borrowings.  
Class I shares and Class A shares are not subject to a distribution fee.
- 4 Percentages may change over time depending on market conditions. Calculated as a percentage of fair value.
- 5 Securities may be an obligation of one or more entities affiliated with the named company.
- 6 The sponsor commitment represents the aggregate investments in FS Credit Income Fund made by individuals and entities affiliated with FS Investments and GoldenTree Asset Management LP, including members of FS Credit Income Fund's board of trustees.
- 7 There is no guarantee that shareholders will be able to sell all of the shares they desire to sell in a quarterly repurchase offer, although the Fund will offer to purchase at least 5% (but no more than 25%) of the outstanding shares of the Fund at NAV in each quarterly repurchase, unless such offer is suspended or postponed in accordance with regulatory requirements.
- 8 Any minimum initial investment requirement may be waived in FS Credit Income Fund's sole discretion.

\*Calculated as an estimated percentage of average net assets attributable to shares. The Fund's actual expenses may be different than the estimates above. The calculations also take into account the fee waiver and/or expense reimbursement during such time period. FS Credit Income Advisor, LLC, the Fund's investment adviser, has entered into an expense limitation agreement with the Fund under which it has agreed to pay or waive the "ordinary operating expenses" of the Fund to the extent that such expenses exceed 0.25% per annum of the Fund's average daily net assets attributable to the applicable share class of the Fund. Ordinary operating expenses exclude (1) investment advisory fees, (2) portfolio transaction and other investment-related costs, (3) interest expense and other financing costs, (4) taxes, (5) distribution and shareholder servicing fees and (6) extraordinary expenses of the Fund. The expense limitation agreement will continue indefinitely until terminated by the Board on written notice to FS Credit Income Advisor. The expense limitation agreement permits the adviser to recoup the amounts it has paid or waived pursuant to the agreement in the future, subject to certain limitations. For full detail on FS Credit Income Fund's fees and expenses, please review the Fund's prospectus.

Closed-end interval funds may charge additional fees. Percentages and other numbers in this fact sheet may have been rounded.

## GLOSSARY OF TERMS AND INDEX DEFINITIONS

**Duration:** A measure of the sensitivity of the price of a fixed income investment to a change in interest rates, expressed as a number of years. **Bloomberg Barclays U.S. Aggregate Bond Index** is a broad-based benchmark that measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and non-agency). **S&P/LSTA Leveraged Loan Index** is a market value-weighted index designed to measure the performance of the U.S. leveraged loan market. **ICE BofAML U.S. High Yield Index** is designed to track the performance of U.S. dollar-denominated below investment grade corporate debt publicly issued in the U.S. domestic market.

**An investment in FS Credit Income Fund (the "Fund") involves a high degree of risk and may be considered speculative. Investors are advised to consider the investment objectives, risks, and charges and expenses of the Fund carefully before investing. The Fund's prospectus contains this and other information about the Fund. Investors may obtain a copy of the Fund's prospectus free of charge at [www.fsinvestments.com](http://www.fsinvestments.com) or by contacting FS Investments at 201 Rouse Blvd., Philadelphia, PA 19112 or by phone at 877-628-8575. Investors should read and carefully consider all information found in the Fund's prospectus and other reports filed with the U.S. Securities and Exchange Commission before investing.**

Securities offered through ALPS Distributors, Inc. (1290 Broadway, Suite 1100, Denver, CO 80203, member FINRA), the distributor of FS Credit Income Fund. FS Investment Solutions, LLC is an affiliated broker-dealer that serves as the exclusive wholesale marketing agent for FS Credit Income Fund. FS Investment Solutions, LLC and ALPS Distributors, Inc. are not affiliated.

Investing in the Fund involves risk, including the risk that a shareholder may receive little or no return on their investment or that a shareholder may lose part or all of their investment. The Fund expects most of its investments to be in securities that are rated below investment grade or would be rated below investment grade if they were rated. Below investment grade instruments may be particularly susceptible to economic downturns. The Fund is subject to interest rate risk and will decline in value as interest rates rise. The Fund may engage in leveraging and other speculative investment practices that may increase the risk of loss of investment and accelerate the velocity of potential losses. In addition to the normal risks associated with investing, investing in international and emerging markets may involve risk of capital loss from unfavorable fluctuations in currency values, differences in generally accepted accounting principles or from social, economic or political instability in other nations. The Fund may invest in derivatives, which are often more volatile than other investments and may magnify the Fund's gains or losses. An investment in shares should be considered only by investors who can assess and bear the illiquidity and other risks associated with such an investment.

No secondary market is expected to develop for the Fund's common shares; liquidity for the common shares will be provided only through quarterly repurchase offers for no less than 5% and no more than 25% of the common shares at net asset value, and there is no guarantee that an investor will be able to sell all the common shares that the investor desires to sell in the repurchase offer. Due to these restrictions, an investor should consider an investment in the Fund to be of limited liquidity.

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