

Class I: FCRIX

FS Credit Income Fund

An opportunistic, alternative credit solution

Fund overview

FS Credit Income Fund is an alternative credit strategy that seeks to provide attractive total returns, including an attractive level of current income and capital appreciation.

Strategy

- Flexible, multi-sector strategy focusing on liquid and less-liquid areas of the global credit markets outside of traditional benchmarks
- Dynamically investing in catalyst-driven, opportunistic investments across bonds, loans, structured credit and emerging market debt

Key facts

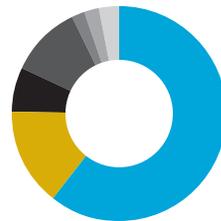
Portfolio companies⁴	197
Duration (years)⁵	3.69
Distributions¹	Quarterly
Structure	Closed-end interval fund
Tax reporting	Form 1099-DIV

Performance (total returns at NAV)

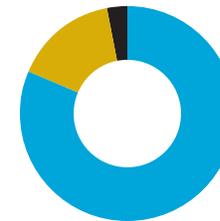
	Annualized distribution rate¹	MTD	YTD	1 year	Since inception
FCRIX (Class I; inception 11/1/2017)	6.10%	-0.16%	-0.28%	2.76%	5.07%

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. 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. Not all investors can invest in the Fund's Class I share class; different share classes would have different returns.

Portfolio allocations²



Composition	
Bonds	60.8%
Loans	14.5%
European CLOs	6.7%
U.S. CLOs	10.8%
Other structured credit	2.0%
Emerging markets	2.4%
Other	2.8%



Geography	
North America	81.6%
Europe	15.5%
Other	2.9%

Top 10 holdings³ (as of 7/31/2020)

Holdings are subject to change.			
Frontier Communications Corp.	4%	Petroleos Mexicanos	1%
Occidental Petroleum Corp.	2%	Puerto Rico Electric Power Authority	1%
ChampionX Holding Inc.	2%	Altice Europe NV	1%
Ford Motor Co.	2%	Bausch Health Cos.	1%
Puerto Rico Sales Tax Financing Corp.	1%	Lightstone Holdco LLC	1%

Manager

FS Investments

A leading asset manager providing access to alternative sources of income and growth. Our investment solutions combine differentiated strategies, top institutional managers and investment structures tailored to our investors' needs.

Sub-adviser

GoldenTree Asset Management

GoldenTree is an employee-owned, global asset management firm that specializes in opportunities across the credit universe. Founded in 2000, GoldenTree is one of the world's largest independent asset managers focused on global credit.

- **2020 Credit-Focused Hedge Fund Manager of the Year**

Institutional Investor¹⁰

- **2020 Management Firm of the Year**

Alt Credit US Performance Awards¹¹

- **2020 Best CLO Manager**

Alt Credit US Performance Awards¹¹

Asset class

	Current	Min	Range	Max
Bonds	60.8%	51.8%		71.7%
Loans	14.5%	6.2%		18.7%
European CLOs	6.7%	3.4%		10.4%
U.S. CLOs	10.8%	9.2%		22.7%
Other structured credit	2.0%	0.0%		8.5%
Emerging markets	2.4%	0.3%		10.4%
Other	2.8%	0.0%		2.8%

Geography⁶

North America	81.6%	67.1%		83.8%
Europe	15.5%	13.9%		25.9%
Other	2.9%	1.1%		17.7%

Characteristics

Floating rate (loans and bonds)	44.4%	28.9%		53.8%
Portfolio rate duration (years) ⁵	3.69	2.11		4.34

Repurchase offer

Terms ⁷	Quarterly (no less than 5% of shares outstanding and no more than 25% of shares outstanding)		
Upcoming repurchase offer dates	Repurchase request deadline	Payment by	
Q4 2020	12/16/2020	12/23/2020	

Repurchase request deadline: The date the quarterly repurchase offers are scheduled to expire. The Fund must receive all repurchase requests in response to the repurchase offer or withdrawals/modifications of previously submitted repurchase requests for such repurchase offer from shareholders by this date. **Payment by:** The date by which the Fund must pay shareholders for any common shares repurchased. Proceeds sent to brokerage accounts may take 7 to 10 days to appear in accounts. Checks are sent via USPS and usually arrive within 7 to 10 days after mailing for registered shareholders. Proceeds sent via ACH to a bank account are typically credited to the bank account in 3 to 5 days for registered shareholders. Dates are subject to change. Repurchase offers are subject to the terms and conditions set forth in each repurchase offer notice.

Share classes

	Class I (FCRIX)
CUSIP	30300R203
Minimum initial investment ⁸ (non-qualified/qualified)	\$1 million (both)
Net expense ratio ⁹	2.53%
Net expense ratio ⁹ (excluding estimated interest expense associated with expected use of leverage)	1.85%

- 1 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 the calendar 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, borrowings or expense reimbursements and waivers. For the 12 months ended September 30, 2020, 100% of FS Credit Income Fund's distributions were funded through ordinary income.
Class I shares are not subject to a distribution fee.
- 2 Percentages may change over time depending on market conditions. Calculated as a percentage of fair value.
- 3 Securities may be an obligation of one or more entities affiliated with the named company.
- 4 Portfolio companies excludes structured credit and hedges.
- 5 Duration is a measure of how sensitive a fixed income investment's price is to a change in interest rates and is expressed as a number of years.
- 6 Data as of October 31, 2020. As a percentage of invested assets.
- 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.
- 9 Calculated as an estimated percentage of average net assets attributable to shares. The Fund's actual expenses may be different than the estimate above. The calculation also takes 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" (exclusive of (1) investment advisory fees, (2) portfolio transaction and other investment related costs, (3) interest expense and other financing costs, (4) taxes, (5) distribution or shareholder servicing fees and (6) extraordinary expenses) of the Fund attributable to a share class 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 thereafter. The expense limitation agreement will continue indefinitely until terminated by the Fund's board of trustees 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 the Fund's fees and expenses, please review the Fund's prospectus.
- 10 As named annually by Institutional Investor magazine. From a group of 6 nominated firms voted on by editorial staff and a survey of U.S. allocators. This award was not given in conjunction with FS Credit Income Fund.
- 11 As named annually by Alt Credit US Performance Awards. The award was not given in conjunction with FS Credit Income Fund.

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

GLOSSARY OF TERMS

A **collateralized loan obligation (CLO)** is a single security backed by a pool of debt. **Duration** is a measure of how sensitive a fixed income investment's price is to a change in interest rates, expressed as a number of years. **Floating rate** is an interest rate that fluctuates with the rest of the market or along with an index.

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 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 1000, 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.

The Fund is "non-diversified" under the Investment Company Act of 1940 since changes in the financial condition or market value of a single issuer may cause a greater fluctuation in the Fund's net asset value than in a "diversified" fund.

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 are particularly susceptible to economic downturns compared to higher rated investments. The Fund is subject to interest rate risk and will decline in value as interest rates rise. The Fund may use leverage to achieve its investment objective, which involves risks, including the likelihood of NAV volatility and the risk that fluctuations in interest rates on borrowings will reduce the return to investors. In addition to the normal risks associated with investing, investing in international and emerging markets involves 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, depending on market conditions and the type of derivative, are more volatile than other investments and will magnify the Fund's gains or losses. The Fund may invest in collateralized loan obligations ("CLOs") and other securitized products, which is highly complex and speculative. 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.