
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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): March 31, 2009

Fifth Street Finance Corp.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-33901
(Commission File Number)

26-1219283
(I.R.S. Employer Identification No.)

White Plains Plaza
445 Hamilton Avenue, Suite 1206
White Plains, NY 10601
(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: **(914) 286-6800**

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K 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))
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Item 7.01 Regulation FD Disclosure

On March 31, 2009, Fifth Street Finance Corp. updated its investor presentation, a copy of which is attached hereto as Exhibit 99.1 and is incorporated by reference.

Item 9.01 Financial Statements and Exhibits

- (a) Not applicable.
- (b) Not applicable.
- (c) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Investor Presentation dated March 2009

SIGNATURES

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

Date: March 31, 2009

FIFTH STREET FINANCE CORP.

By: /s/ William H. Craig

Name: William H. Craig

Title: Chief Financial Officer and Chief Compliance
Officer



**Fifth Street Finance Corp.
Investor Presentation**
(NYSE: FSC)

March 2009



www.fifthstreetfinance.com

**FSC
LISTED
NYSE**



Forward Looking Statements

This presentation contains forward-looking statements. These statements include, without limitation, information with respect to future events or our future financial performance, results of operations, and on our financial condition. These forward looking statements are not guarantees of our future performance and are subject to risks and uncertainties that could cause actual results to differ materially from the results contemplated by the forward-looking statements. Factors that could affect our results and cause them to materially differ from those contained in the forward-looking statements include those that we discuss in "Risk Factors" and "Special Note Regarding Forward-Looking Statements" in our final prospectus, dated June 11, 2008, that we have filed with the SEC.



Fifth Street Overview

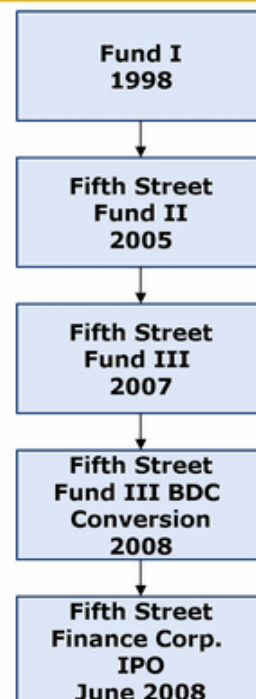
- Lower middle market, externally managed BDC
- Current assets under management of over \$400 Million¹
- \$141 Million IPO in June 2008 led by Goldman Sachs, UBS, Wachovia, Bank of Montreal and Stifel Nicolaus; listed on the NYSE as ticker "FSC"
- BDC investments total \$271 Million² as of December 31, 2008
- Typical investment size \$5 Million to \$40 Million



¹ Includes BET Associates L.P., Fifth Street Mezzanine Partners II L.P., and Fifth Street Finance Corp. (FSC).

² At fair value.

History



Dynamic Business Model

- Specialty finance company providing financing for small to mid-sized companies
- Disciplined investment process with a proven 10+ year track record
- Recurring revenue stream-weighted average portfolio debt yield is 16.5% vs. industry average of approximately 12.3%
- 100% of the loans are originated by Fifth Street
- Consistently invests in conjunction with private equity sponsors
- Diversified portfolio



Why Fifth Street Today

- Superior Portfolio – Business model allows us to capture alpha
- Inefficient Market – Opportunity to invest at premium rates
- 85% of this portfolio has been generated during the credit dislocation, after July 1, 2007
- Weighted average debt yield of 16.5%; cash yield of 13.4%¹
- 99% of portfolio consists of 1st and 2nd lien debt securities¹
- 94% of portfolio consists of fixed rate debt securities; 100% of floating rate debt securities have interest rate floors of at least 9%¹

Since March 2007, Fifth Street Finance Corp. has closed 25 transactions alongside 20 private equity sponsors totaling \$317.5 Million in investment commitments ²



¹ At fair value as of December 31, 2008.

² Includes \$13.6 million in unfunded commitments.

How Fifth Street will Continue to Deliver

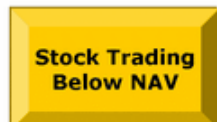
- Team – Expertise and experience with a scaleable methodology
- Brand – Premium provider of capital in the lower middle market
- Relationships – Deep relationships with key group of sponsors
- Transparency – Focus on a high degree of disclosure



Strong Value Proposition



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- Net unrealized depreciation of \$35 Million since inception on total investment portfolio of \$271 Million¹

— Primarily due to general economic conditions

- Stock trading at 57%² of December 31, 2008 Net Asset Value

- Paid a 3Q 2008 dividend of \$0.30 per share

- Paid a 4Q 2008 dividend of \$0.31 per share

- Paid a special dividend of \$0.05 per share for 2008

- Paid a 1Q 2009 dividend of \$0.32 per share

- Paid a 2Q 2009 dividend of \$0.33 per share

- Leonard Tannenbaum (CEO & President) is an active buyer; currently owns over 5% or 1,243,273 shares of FSC³



¹ At fair value as of December 31, 2008.

² At closing share price of \$6.78 on February 27, 2009.

³ All shares were purchased.

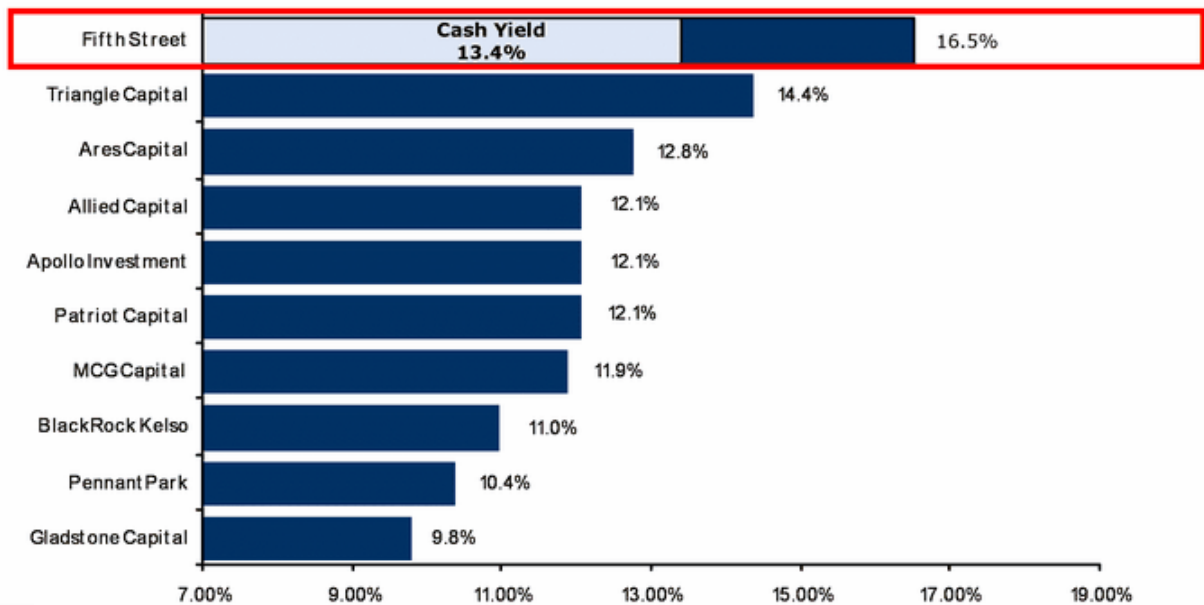
BDC Structure and Regulation

- Business Development Companies (“BDCs”) are uniquely positioned financing vehicles that provide debt and equity capital to private and small publicly-owned enterprises.
- BDC’s were created by Congress in 1980 with the stated mission of facilitating the flow of capital to companies lacking access to public capital markets.
- BDC regulations allow a maximum debt-to-equity ratio of 1:1 which allow BDC’s to enhance their return and limit their risk.
- BDC’s are required to distribute at least 90% of their income to shareholders.
- SEC regulations require BDC’s to fair value assets quarterly.



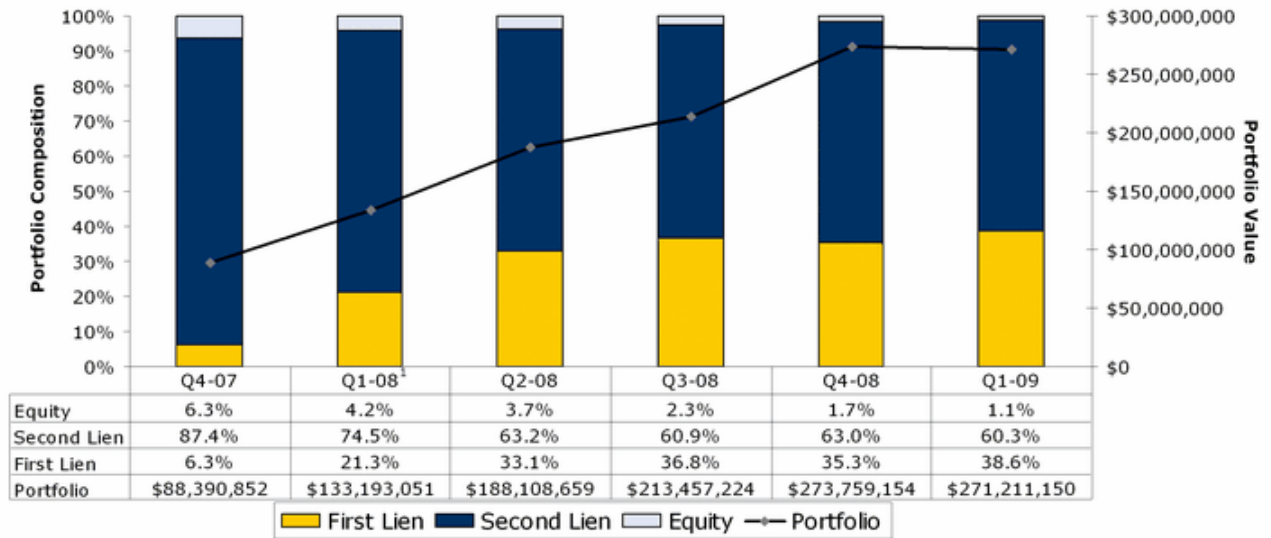
High-Quality Investments with Substantial Cash Yields Higher Weighted Average Yield with Lower Leverage

Weighted Average Debt Yield versus Other BDCs¹



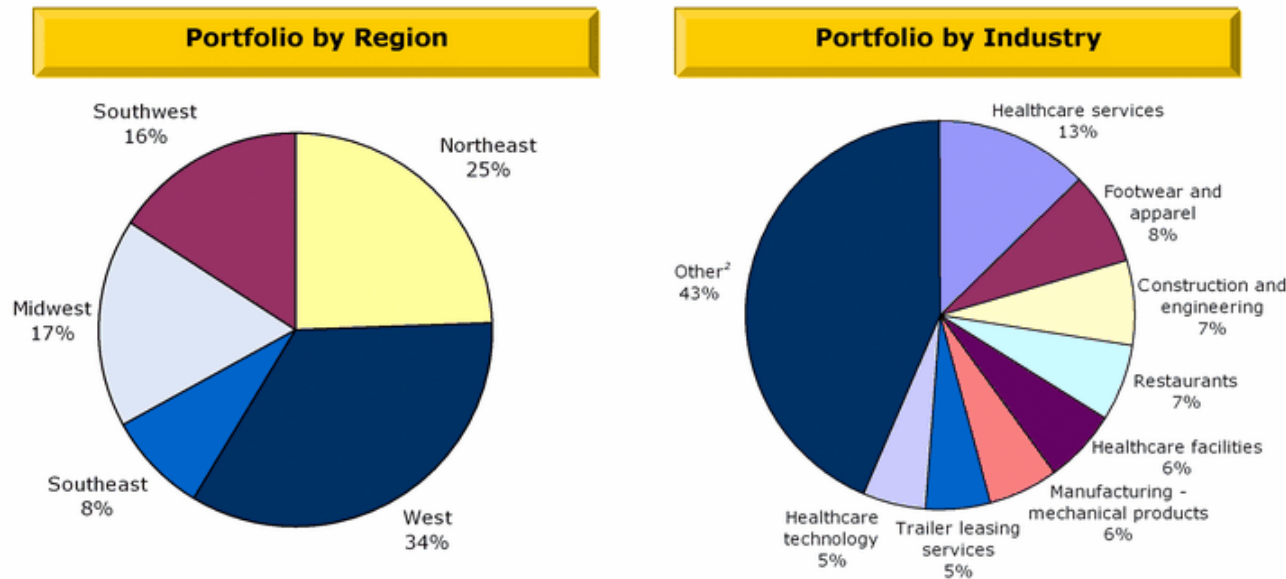
¹ Source: Represents weighted average debt yield per public filings for period ending December 31, 2008.

Portfolio Mix at Fair Value



¹ Q1 2008 data provided by internal financials.

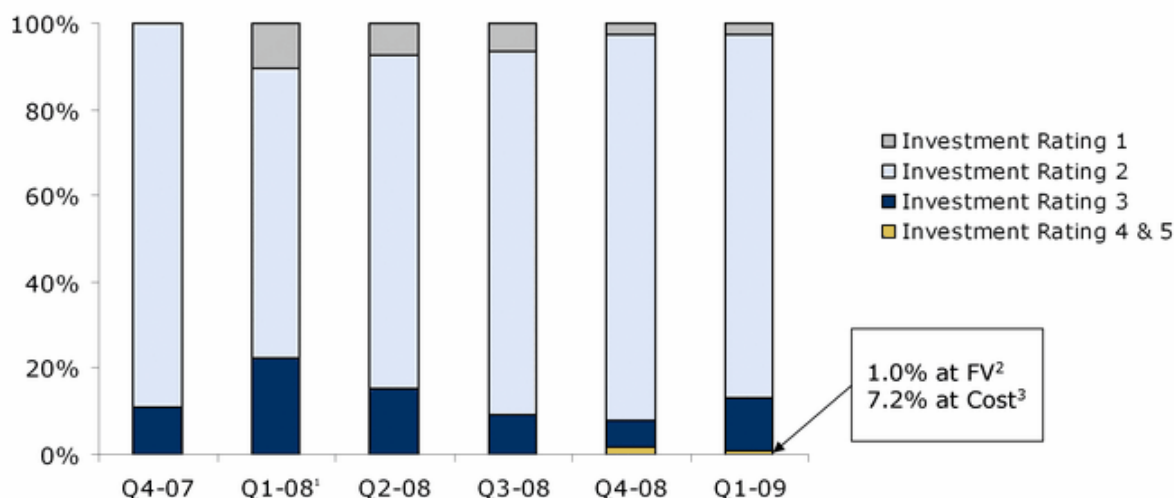
Diversified Portfolio¹



¹ As of December 31, 2008 at fair value.

² Other includes: Emulsions manufacturing; Entertainment – theaters; Food distributors; Leisure facilities; Data processing and outsourced services; Merchandise display; Media – Advertising; Capital goods; ; Commodity chemical; Housewares & specialties; Building products; Lumber products; Household products/ specialty chemicals; and Home furnishing retail.

Rating % by Fair Value



Investment Rating 1 — Investment is performing above expectations and/or a capital gain is expected;

Investment Rating 2 — Investment is performing substantially within our expectations, and its risks remain neutral or favorable compared to the potential risks at the time of the original investment (all new loans are initially rated 2);

Investment Rating 3 — Investment is performing below our expectations and requires closer monitoring, we expect no loss of investment return (interest and/or dividends) or principal. Companies with a rating of 3 may be out of compliance with financial covenants;

Investment Rating 4 — Investment is performing below our expectations and for which risk has increased materially since the original investment. We expect some loss of investment return, but no loss of principal; and

Investment Rating 5 — Investment is performing substantially below our expectations and whose risks have increased substantially since the original investment. Investments with a rating of 5 are those for which some loss of principal is expected.



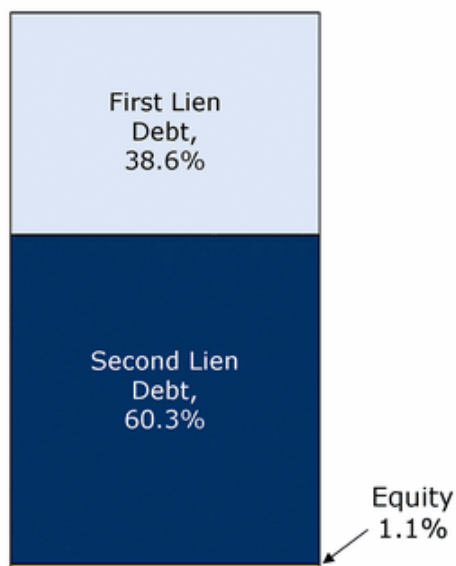
¹ Q1 2008 data provided by internal financials.

² Investment ratings 4 and 5 as a percentage of total portfolio at fair value.

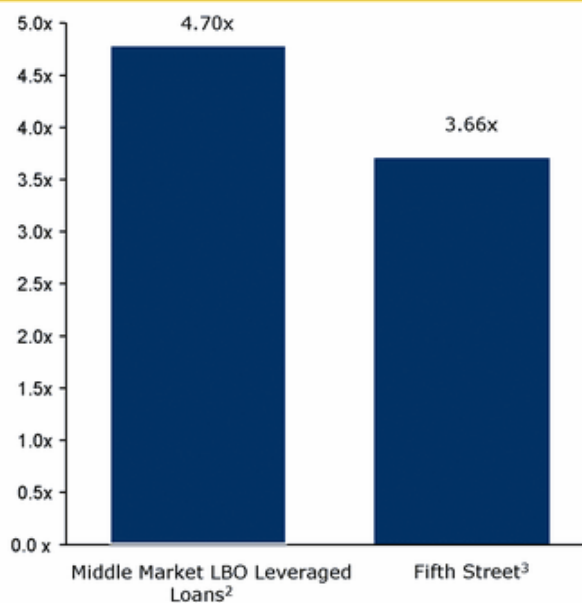
³ Investment ratings 4 and 5 as a percentage of total portfolio at cost.

High-Quality Investments with Substantial Cash Yields Secured Portfolio with Low Leverage

Secured Portfolio¹



Total Debt to EBITDA



Investment Portfolio: \$271.2 Million¹



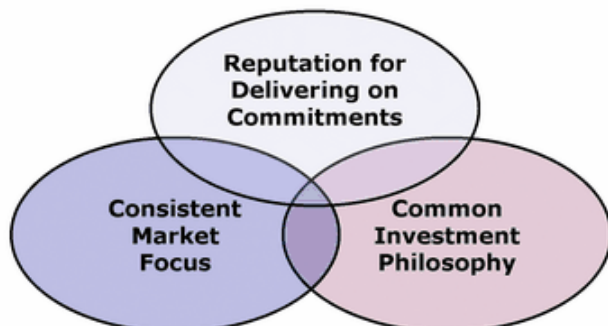
¹ At December 31, 2008 at fair value.

² Source: Standard & Poor's Leveraged Buyout Review Q4 2008. Represents average of LBOs in 2H08 where target had less than \$50mm in EBITDA.

³ Total debt to EBITDA of securities at loan inception.

Strong Relationships

Established Relationships with Leading Lower Middle Market Sponsors



- “Lender of choice” for sponsors that invest in small and mid-sized companies
- Significant benefits of strategic partnerships including:
 - Incremental due diligence
 - Additional layer of monitoring
 - Additional source of operating expertise



¹ As of June 11, 2008 per Fifth Street Finance Corp. Prospectus.

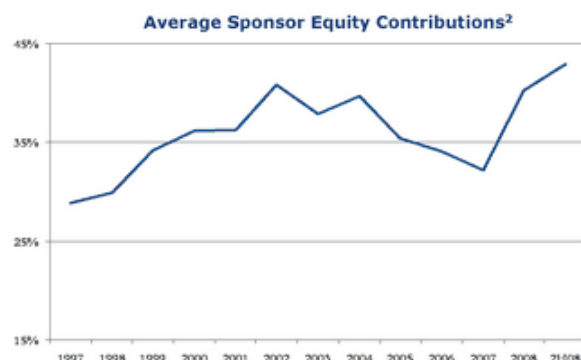
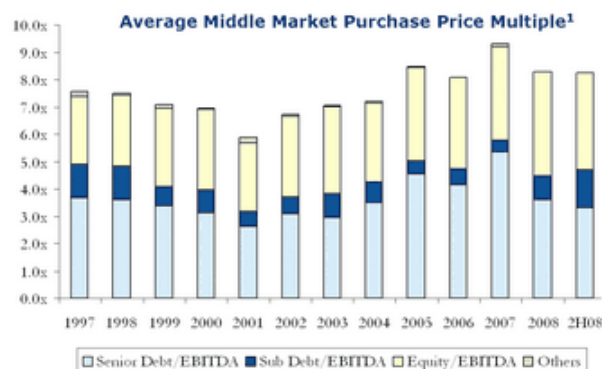
Opportunity to Expand Network of Relationships



- Significant opportunity to increase market penetration and enhance investment pipeline
 - Our Investment Adviser has active relationships with over 140¹ of these sponsors
- Additional opportunity to grow with sponsors as they expand

Growing Target Market

- Large pool of private equity capital focused on investments in small and mid-sized companies
- These private equity firms have less access to capital
 - Smaller deal size
 - Fragmented market
 - Recent credit market dislocation
- Less access to capital has resulted in favorable lending environment



¹ Source: Thomson Financial. Represents LBO market purchase price breakdown.

² Source: Thomson Financial. Represents equity contribution by sponsors for middle market LBO loans.

Experienced Management Team that is Aligned with Shareholders

Management

Executive	Title	Relevant Experience	Prior Experience
Leonard M. Tannenbaum <i>Managing Partner of Investment Adviser</i>	President and CEO	12+	<ul style="list-style-type: none"> Led the investment of over \$450 million since 1998 Served on the board of 5 public companies Formerly an equity analyst for Merrill Lynch
Marc A. Goodman <i>Senior Partner of Investment Adviser</i>	Chief Investment Officer Head of Portfolio Management	18+	<ul style="list-style-type: none"> Significant experience advising, restructuring and negotiating investments Formerly with the law firm of Kramer, Levin, Naftalis & Frankel
Bernard D. Berman <i>Partner of Investment Adviser</i>	Executive Vice President Secretary	12+	<ul style="list-style-type: none"> Substantial legal experience focusing on corporate transactions Formerly with the law firm Riemer & Braunstein
Juan E. Alva <i>Partner of Investment Adviser</i>	Head of Origination	14+	<ul style="list-style-type: none"> Formerly a senior investment banker at Trinity Capital Previously an investment banker at Goldman Sachs
Ivelin M. Dimitrov <i>Partner of Investment Adviser</i>	Head of Execution Chairman of Investment Adviser's Internal Valuation Committee	7+	<ul style="list-style-type: none"> Experience in financial analysis, valuation and investment research working with companies in the U.S. and Europe



Experienced Management Team that is Aligned with Shareholders

Other Senior Professionals

Executive	Title	Relevant Experience	Prior Experience
William H. Craig	Chief Financial Officer Chief Compliance Officer	20+	<ul style="list-style-type: none"> • Former CFO of Vital-Signs (NASDAQ listed) • Prior merchant banking experience and 5 years at GE Capital
Steven M. Noreika <i>BDC Reporting</i>	Controller	11+	<ul style="list-style-type: none"> • Former manager of internal financial reporting at Time Warner, Inc. • Prior audit, review and tax experience at Marcum & Kliegman, LLP
Brian D. Finkelstein <i>Portfolio Management</i>	Vice President	5+	<ul style="list-style-type: none"> • Previously analyzed middle market companies as an associate at Aleutian Capital Partners (private equity firm)
Kyde S. Sharp <i>Execution</i>	Associate	3+	<ul style="list-style-type: none"> • Prior experience as a corporate attorney and as a consultant analyzing and structuring investments
Stacey L. Thorne <i>Investor Relations</i>	Vice President	2+	<ul style="list-style-type: none"> • Prior administrative experience at a hedge fund



Intense Focus on Managing Credit Risk

Conservative Underwriting Criteria

Target Transaction Characteristics

- Substantial excess enterprise value
- Significant investment by private equity sponsor
- Predictable positive operating cash flow
- On-going and available liquidity

Structuring Methodology

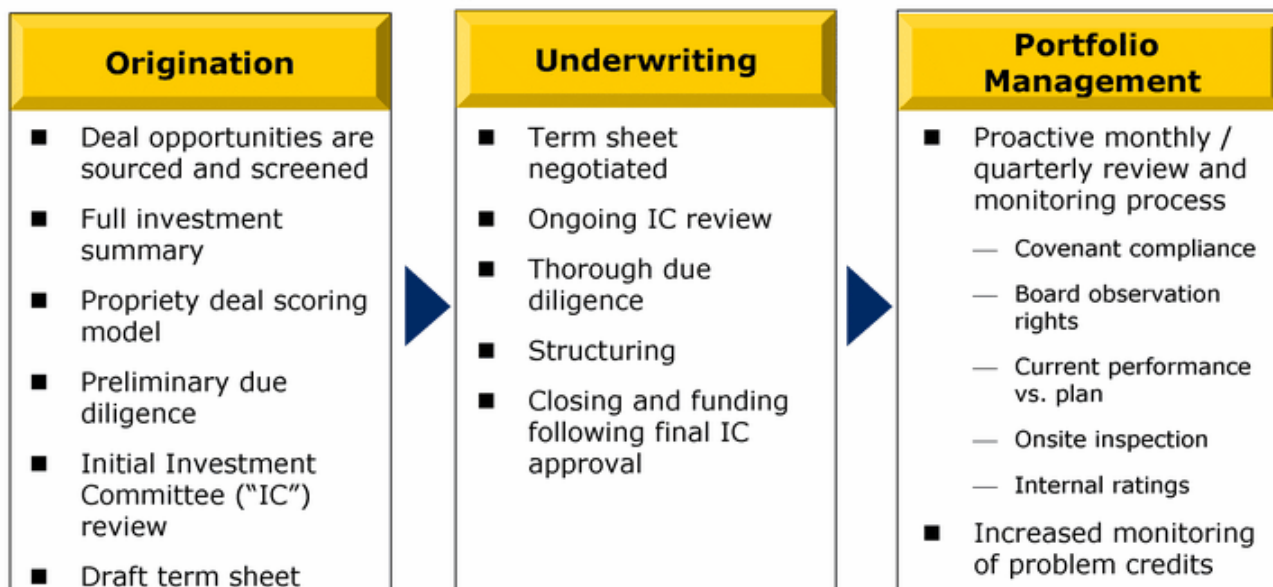
- First or second lien positions
- Low leverage levels
- Strong covenants and collateral packages

Sponsor-led transactions enhance the credit quality of the loan



Intense Focus on Managing Credit Risk Comprehensive Investment Process

- Established and proven investment process
- Dual underwriting methodology with stringent underwriting standards
- Dedicated portfolio management team that actively monitors portfolio



Diversified Portfolio

As of December 31, 2008

\$ in millions

Company	Security	Debt Investment ¹	Industry
Caregiver Services, Inc.	Second Lien	22.0	Healthcare Services
Boot Barn	Second Lien	21.4	Footwear and Apparel
Traffic Control & Safety Corporation	Second Lien	18.4	Construction and Engineering
HealthDrive Corporation	First Lien	16.5	Healthcare Facilities
Rail Acquisition Corp.	First Lien	15.5	Manufacturing - Mechanical Products
Premier Trailer	Second Lien	14.4	Trailer Leasing Services
MK Network, LLC	First Lien	14.1	Healthcare Technology
O'Curran	First Lien	13.4	Data Processing & Outsourced Services
idX Corporation	Second Lien	12.9	Merchandise Display
Filet of Chicken	Second Lien	12.1	Food Distributors
TBA	Second Lien	11.9	Media - Advertising
Cenegenics LLC	First Lien	10.7	Healthcare Services
Western Emulsions, Inc.	Second Lien	9.6	Emulsions Manufacturing
Pacific Press Technologies, Inc.	Second Lien	9.4	Capital Goods
Rose Tarlow Melrose House	First Lien	8.8	Home Furnishing Retail
Nicos	First Lien	8.8	Commodity Chemicals
Goldco	Second Lien	7.7	Restaurants
Lighting by Gregory	First Lien	7.2	Housewares & Specialty
Elephant & Castle	Second Lien	7.2	Restaurants
Storytellers Theaters Corporation	First Lien	7.1	Entertainment - Theatres
Fitness Edge	First Lien	6.9	Leisure Facilities
Best Vinyl	Second Lien	6.7	Building Products
Martini Park	First Lien	2.7	Restaurants
American Hardwood Industries	Second Lien	1.7	Lumber Products
CPAC	Second Lien	1.0	Household Products & Specialty Chemicals
Average		10.7	

Portfolio Fair Value at 12/31/08

\$271.2



¹ At fair value as of December 31, 2008.

Asset Quality

As of December 31, 2008

- Portfolio is performing as expected
- 100% of portfolio valued by an outside valuation firm
- Portfolio loans are assessed and rated quarterly on a scale from 1 to 5 based on underlying credit and performance statistics

Loan Ratings as of December 31, 2008

Investment Rating	Description	Investments at Fair Value	Percentage of Total Portfolio	Debt/ EBITDA Leverage Ratio
1	Investment performing above expectations	\$ 7.7	2.8%	4.13x
2	Investment performing substantially within expectations and its risk remains neutral or favorable	227.4	83.9	4.32
3	Investment performing below expectations and requires closer monitoring, but no loss is expected	33.4	12.3	6.50
4	Investment performing below expectations; expect some loss of investment return, but no loss of principal is expected	1.0	0.4	30.34
5	Investment performing substantially below expectations; some loss of principal is expected	1.7	0.6	11.48
Total		\$ 271.2	100.0%	4.73x



Summary Financials

	At and for the quarter ended December 31, 2008
\$ in thousands	
Statements of Operations Data:	
Total Investment Income	12,585
Base management fees	1,371
Incentive fees	2,053
All other expenses	951
Net Investment Income	8,210
Unrealized depreciation of investments	(18,482)
Net decrease in net assets resulting from operations	(10,272)
Balance Sheet Data at Period End:	
Total Investments at fair value	271,211
Cash and cash equivalents	7,194
Other Assets	2,924
Total Assets	281,329
Total Liabilities	12,781
Total Stockholders' Equity	268,548
Per Share Data:	
Net Asset Value per Common Share at period end	11.86
Market Price at period end	7.55
Net Investment Income	0.36
Net unrealized loss	(0.82)
Net decrease in net assets resulting from operations	(0.46)
Dividends Declared	0.70



Corporate Governance

Board of Directors

Independent (5)

- Byron J. Haney, CPA (Chair of the Audit Committee) – 20+ years of business experience, including serving as chief financial officer of a private retail store chain. Currently serves on the Board of Directors of Sterling Chemicals, Inc. (public company)
- Frank C. Meyer (Chair of the Valuation Committee) – Founder and former Chairman of Glenwood Capital (purchased by the Man Group). Previously served on the Board of Directors of Quality Systems, Inc. (public company)
- Adam C. Berkman, CPA – 19+ years of experience in strategy, operations, finance and business development
- Brian S. Dunn – 14+ years of marketing, logistical and entrepreneurial experience
- Douglas F. Ray – 12+ years experience acquiring, developing, financing and managing a diverse portfolio of real estate investments, including two healthcare properties funds

Interested (2)

- Leonard M. Tannenbaum, CFA – President and CEO of Fifth Street Finance Corp.
12+ years of experience making investments in small to mid-sized companies. Mr. Tannenbaum has founded a number of private investment firms, including Fifth Street Capital LLC, and has served on the Board of Directors of five public companies.
- Bernard D. Berman – Executive Vice President and Secretary of Fifth Street Finance Corp.
13+ years of legal experience focusing on corporate transactions. Mr. Berman was formally a corporate attorney with the law firm Riemer & Braunstein LLP.



Summary Investment Highlights

- Yield
 - High-quality investments with substantial cash yields
- Safety
 - Intense focus on managing credit risk
- Relationships
 - Strong relationships with private equity sponsors focused on small and mid-sized companies
- Experienced management team that is aligned with investors
- Strong portfolio management expertise



FSC Corporate Information

Board of Directors

Adam C. Berkman, CPA
Brian S. Dunn
Byron J. Haney, CPA
Frank C. Meyer
Douglas F. Ray
Bernard D. Berman
Leonard M. Tannenbaum

Corporate Officers & Other Executives

Leonard M. Tannenbaum, President & CEO
Marc A. Goodman, Chief Investment Officer
Bernard D. Berman, Executive VP & Secretary
Juan E. Alva, Head of Origination
Ivelin M. Dimitrov, Head of Execution

Research Coverage

Stifel Nicholas
Troy Ward, (314) 342-2714
Greg Mason, (314) 342-2194

Wachovia
James Shanahan, (443) 263-6546
Christopher Harris, (443) 263-6513

BMO Capital Markets
David Chiaverini, (212) 885-4115

Corporate Headquarters

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White Plains, NY 10601
Tel: (914) 286-6800
Fax: (914) 328-4214

Other Offices

15233 Ventura Blvd., Penthouse 2
Sherman Oaks, CA 91403
Tel: (818) 990- 3145
Fax: (818) 990- 3147

Corporate Counsel

Sutherland, Asbill & Brennan,
LLP

Independent Audit Firm

Grant Thornton, LLP

Transfer Agent

American Stock Transfer &
Trust Company, LLC

Tel: (212) 936-5100

www.amstock.com

Independent Valuation Firm

Murray, Devine & Co.

Investor Relations Contact

Stacey L. Thorne
Fifth Street Finance Corp.

Tel: (914) 286-6811

ir@fifthstreetcap.com

Fiscal year end

September 30



Please visit our website at: www.fifthstreetfinance.com

Portfolio

As of December 31, 2008

 <p>O'Currance TELESERVICES</p> <p>\$12.5MM Second Lien Term Loan Equity Investment</p>	 <p>Best Vinyl Best Flexible Vinyl Flooring</p> <p>\$7.0MM Second Lien Term Loan</p>	 <p>cpac, INC.</p> <p>\$11.0MM Second Lien Term Loan Equity Investment</p>	 <p>Elephant & Castle THE LUXE HOTEL GROUP</p> <p>\$7.5MM Second Lien Term Loan</p>	 <p>MED KNOWLEDGE GROUP, LLC</p> <p>\$17.1MM First Lien Term Loan Equity Investment</p>
 <p>TCSC TECHNICAL SERVICES</p> <p>\$18.7MM Second Lien Term Loan Equity Investment</p>	 <p>Nicos Polymers Group</p> <p>\$8.8MM First Lien Term Loan</p>	 <p>Crest Edge CONCRETE</p> <p>\$9.2MM First Lien Term Loan</p>	 <p>hba Home Builders Association</p> <p>\$12.5MM Second Lien Term Loan</p>	 <p>Hill of Munkin Hill of Munkin</p> <p>\$12.4MM Second Lien Term Loan</p>
 <p>BOOT BARN OUTFITTERS NEW WEST</p> <p>\$25.0MM Second Lien Term Loan Equity Investment</p>	 <p>AII POLYMER</p> <p>\$10.3MM Second Lien Term Loan</p>	 <p>Premier HEALTH CARE</p> <p>\$16.8MM Second Lien Term Loan</p>	 <p>PPT PAPER PROCESSING</p> <p>\$9.7MM Second Lien Term Loan Equity Investment</p>	 <p>RTMH</p> <p>\$14.2MM First Lien Term Loan Equity Investment</p>
 <p>goldco A Division of Regency Group Corporation</p> <p>\$7.5MM Second Lien Term Loan</p>	 <p>CSI CONSTRUCTION SERVICES</p> <p>\$22.5MM Second Lien Term Loan</p>	 <p>marlin MARLIN</p> <p>\$4.0MM First Lien Term Loan</p>	 <p>Lighting by Gregory.com</p> <p>\$12.1MM First Lien Term Loan Equity Investment</p>	 <p>RAIL RAIL</p> <p>\$16.4MM First Lien Term Loan</p>
 <p>Fifth Street Capital</p> <p>\$11.6MM Second Lien Term Loan</p>	 <p>Stonjeller</p> <p>\$11.8MM Second Lien Term Loan</p>	 <p>HEALTHDRIVE HEALTH & BEAUTY PRODUCTS</p> <p>\$20.0MM First Lien Term Loan</p>	 <p>idX</p> <p>\$13.0MM Second Lien Term Loan</p>	 <p>GENEGENICS GENETICS</p> <p>\$11.0MM First Lien Term Loan</p>