

First Trust Specialty Finance and Financial Opportunities Fund (FGB)

Investment Objective/Strategy - First Trust Specialty Finance and Financial Opportunities Fund (the "Fund") is a non-diversified, closed-end management investment company. The primary investment objective of the Fund is to seek a high level of current income. As a secondary objective, the Fund seeks an attractive total return. The Fund pursues its investment objectives by investing, under normal market conditions, at least 80% of its Managed Assets in a portfolio of securities of specialty finance and other financial companies that the Fund's Sub-Advisor believes offer attractive opportunities for income and capital appreciation. Under normal market conditions, the Fund concentrates its investments in securities of companies within industries in the financial sector. "Managed Assets" means the total asset value of the Fund minus the sum of its liabilities, other than the principal amount of borrowings.

There can be no assurance that the Fund's investment objectives will be achieved. The Fund may not be appropriate for all investors.

Fund Overview	
Ticker	FGB
Fund Type	Finance
Investment Advisor	First Trust Advisors L.P.
Portfolio Manager/Sub-Advisor	Confluence Investment Management LLC
Investor Servicing Agent	BNY Mellon Investment Servicing (US) Inc.
CUSIP	33733G109
Fiscal Year-End	11/30
Exchange	NYSE
Inception	5/25/2007
Inception Price	\$20.00
Inception NAV	\$19.10
Contact Fund	1.800.988.5891
Website	www.ftportfolios.com

Current Fund Data (as of 12/14/2018)	
Closing NAV ¹	\$5.55
Closing Share Price ²	\$5.82
Premium to Net Asset Value (NAV)	4.86%
Total Managed Assets	\$104,709,698
Common Shares Outstanding	14,354,252
Dividend Frequency	Quarterly
Dividend Per Share Amt ³	\$0.1750
Distribution Rate ⁴	12.03%
Daily Volume	52,522
Average 30-Day Daily Volume	49,458
Closing Share Price 52-Week High/Low	\$6.62 / \$5.82
Closing NAV 52-Week High/Low	\$6.43 / \$5.55
Leverage ⁵	23.88%

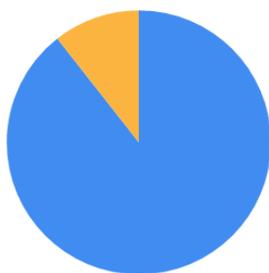
Top 10 Holdings (as of 8/31/2018) ⁷		
Holding		Percent
Ares Capital Corp.		11.09%
Golub Capital BDC, Inc.		7.22%
New Mountain Finance Corp.		6.98%
Hercules Capital, Inc.		6.96%
BlackRock TCP Capital Corp.		6.43%
Barings BDC, Inc.		6.42%
Two Harbors Investment Corp.		5.97%
Solar Capital Ltd.		5.66%
THL Credit, Inc.		5.62%
TriplePoint Venture Growth BDC Corp.		5.47%

Average Annual Returns (as of 11/30/2018) ⁶		
Period	Share Price	NAV
3 Years	10.93%	7.04%
5 Years	4.37%	2.32%
10 Years	17.66%	13.45%
Inception to Date	0.28%	0.26%

Cumulative Total Returns (as of 11/30/2018) ⁶		
Period	Share Price	NAV
3 Months	-0.98%	-4.65%
1 Year	6.83%	1.09%
3 Years	36.51%	22.64%
5 Years	23.85%	12.17%
10 Years	408.64%	253.33%
Year to Date	11.01%	2.86%
Inception to Date	3.29%	2.99%

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Industry Breakdown (as of 8/31/2018)⁷



Industry	Percent
■ Capital Markets	89.40%
■ Mortgage Real Estate Investment Trusts (REITs)	10.60%

Asset Type Breakdown (as of 8/31/2018)⁷



Asset	Percent
■ Common Stocks - Business Development Companies	89.40%
■ Real Estate Investment Trusts (REITs)	10.60%

Footnotes

- ¹ The NAV represents the fund's net assets (assets less liabilities) divided by the fund's common shares outstanding.
- ² Fund shares are purchased and sold on an exchange at their share price rather than net asset value (NAV), which may cause the shares to trade at a price greater than NAV (premium) or less than NAV (discount).
- ³ Most recent distribution paid or declared to today's date. Subject to change in the future. There is no guarantee that the fund will declare dividends.
- ⁴ Distribution rates are calculated by annualizing the most recent distribution paid or declared through today's date and then dividing by the most recent market price. The distribution consists of the sum of net investment income, net realized short-term capital gains, net realized long-term capital gains, and return of capital. Distribution rates may vary. Any distribution adjustment will not be reflected until after the declaration date for the next distribution. See the fund's 19a-1 Notices, if any, located under the "News & Literature" section of the website for estimates of distribution sources. Final determination of the source and tax status of all distributions paid in the current year will be made after year-end.
- ⁵ Leverage is a technique where a closed-end fund's manager borrows assets at one rate and invests the proceeds from the borrowed assets at another rate, seeking to increase yield and total return. Use of leverage can result in additional risk and cost, and can magnify the effect of any losses.
- ⁶ Total return is the combination of reinvested dividend income and reinvested capital gains distributions, at prices obtained by the Dividend Reinvestment Plan, if any, and changes in the NAV and Share Price. The NAV total return takes into account the fund's total annual expenses and does not reflect sales load. Past performance is not indicative of future results.
- ⁷ Market value information used in calculating the percentages is based upon trade date plus one recording of transactions, which can differ from regulatory financial reports (Forms N-CSR and N-Q) that are based on trade date recording of security transactions. Holdings are subject to change.

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Risk Considerations

The fund is subject to risks, including the fact that it is a non-diversified closed-end management investment company. Investment return and market value of an investment in the fund will fluctuate. Shares, when sold, may be worth more or less than their original cost.

The fund invests in business development companies (BDCs) which may be subject to a high degree of risks, including management's ability to meet the BDC's investment objective, and to manage the BDC's portfolio when the underlying securities are redeemed or sold, during periods of market turmoil and as investors' perceptions regarding a BDC or its underlying investments change.

Investing in real estate investment trusts (REITs) involves certain unique risks in addition to investing in the real estate industry in general. REITs are subject to interest rate risk and the risk of default by lessees or borrowers.

The fund may invest in a variety of other mortgage-related securities. Rising interest rates tend to extend the duration of mortgage-related securities, making them more sensitive to changes in interest rates, and may reduce the market value of the securities. In addition, mortgage-related securities are subject to the risk that borrowers may pay off their mortgagees sooner than expected, particularly when interest rates decline. This can reduce the fund's returns. The fund's investments in other asset-backed securities are subject to risks similar to those associated with mortgage-backed securities, as well as additional risks associated with the nature of the assets and the servicing of those assets.

Because the fund is concentrated in the financials sector, it will be more susceptible to adverse economic or regulatory occurrences affecting this sector, such as changes in interest rates, availability and cost of capital funds, and competition.

Use of leverage can result in additional risk and cost, and can magnify the effect of any losses.

The risks of investing in the fund are spelled out in the prospectus, shareholder report and other regulatory filings.

The information presented is not intended to constitute an investment recommendation for, or advice to, any specific person. By providing this information, First Trust is not undertaking to give advice in any fiduciary capacity within the meaning of ERISA and the Internal Revenue Code. First Trust has no knowledge of and has not been provided any information regarding any investor. Financial advisors must determine whether particular investments are appropriate for their clients. First Trust believes the financial advisor is a fiduciary, is capable of evaluating investment risks independently and is responsible for exercising independent judgment with respect to its retirement plan clients.

Not FDIC Insured • Not Bank Guaranteed • May Lose Value