

FS KKR Capital Corp. Class Action Lawsuit

U.S. Securities Litigation

FS KKR Capital Complaint Overview

The class action lawsuit asserts securities fraud claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 on behalf of investors in FS KKR Capital securities. The class action is pending in the U.S. District Court for the Eastern District of Pennsylvania. It is captioned *Stuart v. FS KKR Capital Corp., et al.*, No. 26-cv-2969.

If you lost money on your FS KKR Capital investment, you are encouraged to submit your information for the lawsuit using the form on this page. You may also email adam@bfalaw.com or call 212.789.3619.

Why is FS KKR Capital Being Sued for Securities Fraud?

FS KKR Capital Corp. has been sued for securities fraud following significant stock drops resulting from potential violations of the federal securities laws. The decline in FS KKR Capital's stock price caused significant losses to investors.

FS KKR Capital is a private credit firm that specializes in making private loans (also called "debt investments") to companies. FS KKR Capital's principal source of revenue is interest income earned on its debt investments, as well as other fees and dividends from the companies in which it invests.

During the relevant period, FS KKR Capital claimed it was establishing an improved portfolio credit profile, and that any non-accrual issues with legacy investments were being adequately addressed through restructuring. For instance, FS KKR Capital stated that it "made significant progress restructuring certain non-accruing investments" and that the "long-term earnings power of FSK continues to be healthy[.]"

As alleged in the lawsuit, in truth, FS KKR Capital misrepresented the valuation of its portfolio investments and the effectiveness of its portfolio valuation process.

Why did FS KKR Capital's Stock Drop?

On August 6, 2025, FS KKR Capital reported Q2 2025 earnings, revealing that its net asset value had declined to \$21.93 per share, down \$1.44 per share, or 6.2%, from the prior quarter, and the total fair value of investments fell \$474 million. The company also reported earnings (loss) per share of negative \$0.75, down \$1.18 per share, or 274%, from the prior quarter.

This news caused the price of FS KKR Capital stock to decline \$1.66 per share, or 8.2%, from \$20.24 on August 6, 2025, to \$18.58 per share on August 7, 2025.

Then, on February 25, 2026, FS KKR Capital reported Q4 and full year 2025 earnings, revealing net asset value had continued to decline to \$20.89 per share, down \$1.10 per share, or 5%, from the prior quarter, and the total fair value of investments fell another \$406 million. The company reported earnings (loss) per share of negative \$0.41, down \$1.17 per share, or 154%, from the prior quarter. FS KKR Capital also “acknowledge[d] specific challenges” with additional companies in its portfolio and cut its dividend to \$0.48 per share (previously \$0.70).

This news caused the price of FS KKR Capital stock to decline \$2.03 per share, or 15.24%, from \$13.32 per share on February 25, 2026, to \$11.29 per share on February 26, 2026.

What is the FS KKR Capital Leadership Deadline?

You may ask the Court no later than July 6, 2026, to appoint you as Lead Plaintiff for the lawsuit through counsel of your choice.

To be a member of the Class Action, you need not take any action at this time. The ability to share in any potential future recovery is not dependent on serving as Lead Plaintiff.

FS KKR Capital (FSK) Stock Chart

The chart displays the stock price of FS KKR Capital (FSK) from June 2025 to May 2026. The x-axis represents time in months, and the y-axis represents the stock price. The price starts at approximately \$20.24 in August 2025, drops to \$18.58 in August 2025, then recovers to \$13.32 by February 2026. Following the February 2026 announcement, the price drops sharply to \$11.29 by February 26, 2026, and remains relatively stable through May 2026.

Month	Price
Jun '25	~\$20.24
Jul '25	~\$20.24
Aug '25	~\$18.58
Sep '25	~\$18.58
Oct '25	~\$18.58
Nov '25	~\$18.58
Dec '25	~\$18.58
Jan '26	~\$13.32
Feb '26	~\$13.32
Mar '26	~\$13.32
Apr '26	~\$13.32
May '26	~\$13.32

Image Caption: [NYSE online chart](#) showing the FS KKR Capital (FSK) stock drop following the August 2025 and February 2026 announcements.

How Do I Submit My Information?

If you lost money when FS KKR Capital securities dropped in price, you are encouraged to submit your information for the lawsuit using the form on this page to speak with an attorney about your rights.

You can also contact:

Adam McCall
adam@bfalaw.com
212.789.3619

All representation is on a contingency fee basis; there is no cost to you. Shareholders are not responsible for any court costs or expenses of the class action lawsuit. The firm will seek court approval for any potential fees and expenses.

Why Bleichmar Fonti & Auld LLP?

BFA is a leading international law firm representing plaintiffs in securities class actions and shareholder litigation. It has been named a top plaintiff law firm by *Chambers USA*, *The Legal 500*, and *ISS SCAS*.

BFA attorneys have been named “Elite Trial Lawyers” by the *National Law Journal*, “Litigation Stars” by *Benchmark Litigation*, among the top “500 Leading Plaintiff Financial Lawyers” by *Lawdragon*, “Titans of the Plaintiffs’ Bar” by *Law360*, and “SuperLawyers” by *Thomson Reuters*.

BFA’s notable successes include a recovery of over \$900 million in value from Tesla, Inc.’s Board of Directors, as well as \$420 million from Teva Pharmaceutical Ind. Ltd.

Attorney advertising. Past results do not guarantee future outcomes.