

Capital Southwest Corporation Announces 3/31/08 Net Asset Value

Dallas, Texas, May 2, 2008, Capital Southwest Corporation (NASDAQ – CSWC) today reported total net assets at March 31, 2008 of \$583,700,214, equivalent to \$150.09 per share. Comparative annual data is summarized below:

	<u>March 31, 2008</u>	<u>March 31, 2007</u>
Net assets	\$583,700,214	\$725,731,689
Shares outstanding	3,889,151	3,886,051
Net assets per share	\$150.09	\$186.75

Assuming reinvestment of all dividends and tax credits on retained long-term capital gains, the March 31, 2008 net asset value was 19.3% below the March 31, 2007 net asset value of \$186.75 per share and 7.7% above the December 31, 2007 net asset value of \$139.34 per share.

During the quarter ended March 31, 2008, the company implemented valuation techniques consistent with SFAS 157, "Fair Value Measurements," which it formally adopted on April 1, 2008.

Capital Southwest Corporation is a venture capital investment company headquartered in Dallas, Texas.

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