

CAPITAL SOUTHWEST ANNOUNCES NET ASSET VALUE

Dallas, TX, October 28, 2008 - Capital Southwest Corporation (NASDAQ – CSWC) today reported net assets at September 30, 2008 of \$534,078,274, equivalent to \$142.74 per share. Comparative annual data is summarized below:

	<u>September 30, 2008</u>	<u>September 30, 2007</u>
Net assets	\$534,078,274	\$606,872,698
Shares outstanding	3,741,638	3,889,151
Net assets per share	\$142.74	\$156.04

Assuming reinvestment of all dividends and tax credits on retained long-term capital gains, the September 30, 2008 net asset value was 7.91% below the September 30, 2007 net asset value of \$156.04 per share and 4.58% below the March 31, 2008 net asset value of \$150.09 per share.

About Capital Southwest Corporation

Capital Southwest is a Dallas-based investment company that provides patient equity capital to exceptional businesses. As a public company (Nasdaq: CSWC), Capital Southwest has the flexibility to hold investments indefinitely, which has provided its portfolio company managers a stable ownership platform since its founding in 1961. For more information about Capital Southwest, visit the company's website at www.capitalsouthwest.com.

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