

**Capital Southwest Corporation
For Shareholders from 1968 through 2015**

In certain years from 1968 through 2015, we made elections to retain taxable net long-term capital gains. The table shows the record dates for all years for which we made such elections and the per share amounts of the retained long-term capital gains, the federal income taxes paid and the amounts by which shareholders on each record date are entitled to increase the tax basis of each share (adjusted for stock splits in 1976, 1981, 1987 and 2014).

Record Date	Retained Capital Gains per Share	Federal Income Taxes Paid per Share	Increase in Tax Basis per Share
Dec. 31, 2015	\$0.5356	\$0.1874	\$0.3482
Dec 31, 2014	\$10.0894	\$3.5313	\$6.5581
Dec 31, 2013	\$0.708	\$0.2478	\$0.4602
4:1 split	\$16.7811	\$5.7360	\$11.0451
Total as of Dec 31, 2012	\$67.1243	\$22.9441	\$44.1802
Dec 31, 2012	\$0.8478	\$0.2967	\$0.5511
Dec 31, 2011	\$0.9504	\$0.3326	\$0.6178
Dec 31, 2010	\$18.7106	\$6.5487	\$12.1619
Dec 31, 2009	\$0.6220	\$0.2177	\$0.4043
Dec 31, 2008	\$3.9883	\$1.3959	\$2.5924
Dec 31, 2006	\$8.1469	\$2.8514	\$5.2955
Dec 31, 2005	\$3.5761	\$1.2516	\$2.3245
Dec 31, 1999	\$3.0474	\$1.0666	\$1.9808
Dec 31, 1998	\$0.2001	\$0.0700	\$0.1301
Dec 31, 1997	\$4.9821	\$1.7437	\$3.2384
Dec 31, 1996	\$4.7546	\$1.6641	\$3.0905
Dec 31, 1992	\$2.0823	\$0.7080	\$1.3743
Dec 31, 1991	\$5.9375	\$2.0187	\$3.9188

Dec 31, 1989	\$3.2378	\$1.1008	\$2.1370
Dec 31, 1986	\$3.2523	\$0.9106	\$2.3417
Mar 31, 1985	\$0.3469	\$0.0971	\$0.2498
Mar 31, 1984	\$0.1797	\$0.0503	\$0.1294
Mar 31, 1983	\$1.2106	\$0.3390	\$0.8716
Mar 31, 1970	\$0.2366	\$0.0662	\$0.1704
Mar 31, 1969	\$0.3102	\$0.0852	\$0.2250
Mar 31, 1968	\$0.5041	\$0.1292	\$0.3749

Tax basis adjustments for shareholders who have owned stock.