

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) September 24, 2008

Capital Southwest Corporation

(Exact name of registrant as specified in its charter)

Texas

811-1056

75-1072796

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(IRS Employer
Identification No.)

12900 Preston Road, Suite 700, Dallas, Texas

75230

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code

972-233-8242

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01. Other Events

Capital Southwest Corporation is sorry to announce that William R. Thomas passed away on September 23, 2008. Mr. Thomas joined Capital Southwest in 1962 and served as the company's president from 1980 until his retirement on July 16, 2007. He was named chairman of the board in 1982 and continued on as a director upon his retirement.

Item 9.01. Financial Statements and Exhibits.

- (a) None.
(b) None.
(c) None.
(d) Exhibits

Exhibit
Number

Description

99.1

Press Release dated September 24, 2008

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: September 24, 2008

By: /s/ Gary L. Martin

Name: Gary L. Martin

Title: President and Chairman

CAPITAL SOUTHWEST DIRECTOR WILLIAM R. THOMAS PASSES AWAY

DALLAS - September 24, 2008 - Capital Southwest Corporation (Nasdaq: CSWC) announced today that former CEO, William R. Thomas, 80, has passed away. Bill Thomas joined Capital Southwest in 1962 and served as the company's president from 1980 until his retirement on July 16, 2007. He was named chairman of the board in 1982 and continued on as a director upon his retirement.

"The entire Capital Southwest family mourns the passing of Bill Thomas, a great business leader, an industry icon, a gentleman and a good friend," said Gary Martin. "Bill dedicated his life to Capital Southwest and, during his illustrious 45-year career here, he attained unparalleled results while serving as a role model of integrity for all who knew him. He will be greatly missed."

Bill Thomas was born on August 10, 1928 in Bryan, Texas. He received his M.B.A. with distinction from Harvard Business School and his B.S. degree in chemical engineering from Texas A&M University. Thomas served as a U.S. Army officer for more than five years and was awarded the Bronze Star, Purple Heart and Korean Service medal with five battle stars for heroic actions during the Korean War.

During the 45 years that Thomas served at Capital Southwest, the company's split-adjusted net asset value increased over 100-fold. In addition to his natural business acumen, Thomas placed a significant emphasis on fiscal stewardship, patience and integrity of its business managers, which contributed greatly to the financial stability and growth of the company.

"Much of Capital Southwest's success over the years has been due to Bill's strategic vision for the company," Martin added. "He set the gold standard for the industry, and we plan to continue building on his legacy."

Before joining Capital Southwest, Thomas held positions in the chemical industry and in a consulting firm. He also served as chairman of the National Association of Securities Dealers (NASD) and as chairman of the NASD's Corporate Advisory Board.

Thomas was preceded in death by his wife of 31 years, Patricia M. Thomas, and son, Howard M. Thomas. He is survived by his sister, Anna B. Killough, of Somerville, Texas; daughter, Suzanne B. Thomas, of Dallas, Texas; son, William R. Thomas III, of Dallas, Texas; daughter-in-law, Christa Thomas; and three grandchildren, Liam, Sarah and Alden Thomas, of Dallas, Texas.

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 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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