



November 23, 2015

Capital Southwest Corporation Announces New \$75 Million Senior Secured Credit Facility for I-45 SLF LLC with Deutsche Bank AG, New York

DALLAS, Nov. 23, 2015 (GLOBE NEWSWIRE) -- Capital Southwest Corporation ("CSWC", or the "Company") (NASDAQ:CSWC) today announced that I-45 SLF LLC ("I-45"), a joint venture with Main Street Capital Corporation (NYSE:MAIN) ("Main Street"), closed on a \$75 million 5-year senior secured credit facility with Deutsche Bank AG, New York. The facility includes an accordion feature which should allow I-45 to achieve expected leverage of up to 2x debt-to-equity. Deutsche Bank AG, New York will also act as Administrative Agent on the deal.

"We are excited about our relationships with both Main Street and Deutsche Bank. With expected eventual leverage of 2x debt-to-equity within this facility, I-45 will have approximately \$250 million of investable capital to deploy," said Michael S. Sarner, Chief Financial Officer of Capital Southwest.

On September 9, 2015, the Company and Main Street entered into an agreement to co-manage I-45, a senior loan fund formed to invest primarily in syndicated senior secured loans in the upper middle market. The Company and Main Street have equal representation on I-45's Board of Managers. The total commitment to I-45 between the Company and Main Street is \$85 million, with the Company providing \$68 million and Main Street providing \$17 million. The Company owns 80% of I-45 and has a profits interest of 75.6%, while Main Street owns 20% of I-45 and has a profits interest of 24.4%.

About Capital Southwest Corporation

Capital Southwest Corporation is a Dallas-based, publicly traded, internally-managed Business Development Company ("BDC") with approximately \$275 million in net assets. On September 30, 2015, Capital Southwest completed the spin-off to shareholders of its industrial businesses, CSW Industrials, Inc. Capital Southwest is a credit investment firm focused on supporting the acquisition and growth of middle market businesses with \$5 to \$20 million investments across the capital structure, including first lien, unitranche, second lien and subordinated debt, as well as non-control equity co-investments. Since Capital Southwest's formation in 1961, it has always sought to invest in companies with strong management teams and sound financial performance. As a public company with a permanent capital base, Capital Southwest is fortunate to have the flexibility to be creative in its financing solutions and to invest to support the growth of its portfolio companies over long periods of time.

Forward-Looking Statements

This press release contains historical information and forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995 with respect to the business and investments of Capital Southwest that are based on management's current expectations, assumptions and beliefs. Forward-looking statements can often be identified by words such as "will," "believe," "expect" and similar expressions, and variations or negatives of these words. They are not guarantees of future results and are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those expressed in any forward-looking statement. These risks include risks related to changes in the markets in which Capital Southwest invests, changes in the financial and lending markets and general economic and business conditions.

Readers should not place undue reliance on any forward-looking statements and are encouraged to review Capital Southwest's Annual Report on Form 10-K for the year ended March 31, 2015 and subsequent filings with the Securities and Exchange Commission for a more complete discussion of the risks and other factors that could affect any forward-looking statements. Except as required by the federal securities laws, Capital Southwest does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changing circumstances or any other reason after the date of this press release, except as required by law.

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