



November 22, 2016

Capital Southwest Provides First Lien Term Loan to LRI Energy Solutions

DALLAS, Nov. 22, 2016 (GLOBE NEWSWIRE) -- Capital Southwest Corporation ("Capital Southwest") (Nasdaq:CSWC) announced today that it invested \$8 million of an \$18 million first lien term loan to LRI Energy Solutions ("LRI"), a portfolio company of DFW Capital Partners. Alcentra Capital Corporation was agent on the transaction.

LRI, based outside of Annapolis, MD, is a leading provider of comprehensive services for energy and water efficiency projects. The Company's blue-chip clients include both energy service companies (ESCOs) and utilities. LRI's clients rely on the Company for design, engineering, project management, analysis and monitoring for energy efficiency projects primarily in the Federal and MUSH (Municipalities, Universities, Schools and Hospitals) markets. LRI offers turnkey solutions and rapid implementation of cutting edge energy and water saving technologies that provide immediate and meaningful savings for facility owners. LRI has completed over 650 projects throughout the United States and internationally since its' founding and has helped its clients save millions in kWh and billions of gallons of water.

About Capital Southwest

Capital Southwest Corporation (Nasdaq:CSWC) is a Dallas, Texas-based publicly traded business development company, with approximately \$279 million in net assets as of September 30, 2016. Capital Southwest is a middle market lender focused on supporting the acquisition and growth of middle market businesses with investments from \$5 to \$20 million 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. Forward-looking statements are statements that are not historical statements and can often be identified by words such as "will," "believe," "expect" and similar expressions, and variations or negatives of these words. These statements are based on management's current expectations, assumptions and beliefs. They are not guarantees of future results and are subject to numerous 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, 2016 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.

Investor Relations Contacts:

Michael S. Sarnier, Chief Financial Officer
214-884-3829

Bowen S. Diehl, Chief Executive Officer
214-884-3780