

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 13 G  
Under the Securities Exchange Act of 1934

Amendment No. 2\*

Name of Issuer: CAPITAL SOUTHWEST CORP

Title of Class of Securities: COMMON

CUSIP Number: 14050110

\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover age.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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CUSIP NO. 14050110

1. Name of Reporting Person, S.S. or I.R.S. Identification No. of above person:

First Manhattan Co. 13-1957714

2. Check the appropriate box if a member of a group:  
(a) [ ]  
(b) [ X ]

3. SEC Use Only

4. Citizenship or Place of Organization:  
New York

NUMBER OF SHARES BENEFICIALLY OWNED  
BY EACH REPORTING PERSON WITH:

5. Sole Voting Power: 3,200

6. Shared Voting Power: 274,633

7. Sole Dispositive Power: 3,200

8. Shared Dispositive Power: 278,543

9. Aggregate Amount Beneficially Owned by  
Each Reporting Person: 281,743\*\*

10. Check Box If The Aggregate Amount in Row (9)  
excludes Certain Shares [ ]

11. Percent of Class Represented by Amount in Row 9: 7.30%

12. Type of Reporting Person:

BD, IA, PN

- -----  
\*\* Includes 4,650 shares owned by family members of General Partners of First  
Manhattan Co. which are being reported for informational purposes. First  
Manhattan Co. disclaims dispositive power as to 700 of such shares and  
beneficial ownership as to 3,950 of such shares.

Item 1(a) Name of Issuer: CAPITAL SOUTHWEST CORP

Item 1(b) Address of Issuer's  
Principal Executive Offices: 12900 PRESTON ROAD, STE. 700  
DALLAS, TX 75230

Item 2(a) Name of Person Filing: First Manhattan Co.

Item 2(b) Address Principal Business Office:  
437 Madison Avenue  
New York, NY 10022

Item 2(c) Citizenship: U.S.A.

Item 2(d) Title of Class of Securities: COMMON

Item 2(e) CUSIP Number: 14050110

Item 3 Check whether the person filing is a:

Item 3(a)  Broker or Dealer registered under Section 15 of the Act.

Item 3(b) - (d) Not applicable.

Item 3(e)  Investment Advisor registered under Section 203  
of the Investment Advisors Act of 1940.

Item 3(f) - (h) Not applicable.

Item 4(a) Amount Beneficially Owned: 281,743\*\*

Item 4(b) Percent of Class: 7.30%

Item 4(c) Number of shares as to which such person has:

(i) sole power to vote or to direct the vote	3,200
(ii) shared power to vote or to direct the vote	274,633
(iii) sole power to dispose or to direct the disposition of	3,200
(iv) shared power to dispose or to direct the disposition of	278,543

Item 5 Ownership of Five Percent or Less of Class: [ ]

Item 6 Ownership of More than Five Percent  
on Behalf of Another Person: Not applicable.

\*\* Includes 4,650 shares owned by family members of General Partners of First Manhattan Co. which are being reported for informational purposes. First Manhattan Co. disclaims dispositive power as to 700 of such shares and beneficial ownership as to 3,950 of such shares.

- Item 7 Identification and Classification of the Subsidiary  
Which Acquired the Security Being Reported on  
By the Parent Holding Company Not applicable.
- Item 8 Identification and Classification of Members  
Of the Group Not applicable.
- Item 9 Notice of Dissolution of Group Not applicable.
- Item 10 Certification.

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired in the ordinary course of business and were not acquired for the purpose of and do not have the effect of changing or influencing the control of the issuer of such securities and were not acquired in connection with or as a participant in any transaction having such purpose or effect.

Signature:

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

February 9, 2000

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Date

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Signature

Neal K. Stearns, General Partner  
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Name/Title