

December 16, 2010



Gladstone Capital Announces Proxy Filing and Conference Call Date to Discuss Proxy Proposals

MCLEAN, Va., Dec. 16, 2010 /PRNewswire-FirstCall/ -- Gladstone Capital Corporation (Nasdaq: GLAD) (the "Company") announced today that it plans to hold a conference call on Wednesday, January 12, 2011 at 9:00 a.m. EST to discuss the matters scheduled for a vote at this year's annual shareholders meeting to be held on Thursday, February 17, 2011.

(Logo: <https://photos.prnewswire.com/prnh/20101005/GLADSTONECAPITAL>)

On Friday, December 10, 2010, the Company's proxy statement for the annual shareholders meeting was filed with the SEC and will be mailed to stockholders of record on Friday, December 17, 2010. The record date for the annual meeting was Monday, December 6, 2010.

The matters scheduled for a vote at the annual meeting, as described in the proxy statement, are as follows:

- 1) The election of three directors to hold office until the 2014 annual meeting;
- 2) The approval of a proposal to authorize the Company to issue and sell shares of our common stock (during the next 12 months) at a price below its then current net asset value per share subject to certain limitations set forth herein (including, without limitation, that the cumulative number of shares issued and sold pursuant to such authority does not exceed 25% of our then outstanding common stock immediately prior to each such sale); and
- 3) The ratification of the selection by the audit committee of the board of directors of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for its fiscal year ending September 30, 2011.

The proxy statement describing the proposals is available on the Company's website at www.GladstoneCapital.com, and is also available at the SEC's website at www.sec.gov. Stockholders may also access the proxy statement at www.proxyvote.com using the Company number and proxy control number printed on their proxy cards.

Stockholders will have an opportunity to ask questions regarding the proposals during the conference call referenced above, which will take place on January 12, 2011. You may call (800) 860-2442 to enter the conference, and an operator will monitor the call and set a queue for the questions.

The conference call replay will be available one hour after the call and will be available through the date of the annual meeting, Thursday, February 17, 2011. To hear the replay, please dial (877) 344-7529 and conference number 446165.

Gladstone Capital Corporation is a specialty finance company that invests in debt securities consisting primarily of senior term loans, second term lien loans, and senior subordinate term loans in small and medium sized businesses. To sign up to receive notifications about Gladstone Capital and its affiliate companies, please visit www.gladstone.com.

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