

April 8, 2008

 GLADSTONE INVESTMENT

# Gladstone Investment Announces Monthly Dividends For April, May and June of \$0.08 per Common Share

MCLEAN, Va.--(BUSINESS WIRE)--

Gladstone Investment Corp. (NASDAQ:GAIN) (the "Company") announced today that the Board of Directors declared monthly dividends of \$0.08 per common share for each of the months of April, May and June of 2008. Monthly dividends will be payable as set at in the table below. The monthly dividends equate to a quarterly dividend of \$0.24 and an annual dividend of \$0.96 at the current rate.

The Company expects that the May and June dividends will be paid on any shares issued in connection with the previously announced transferable rights offering to purchase additional common stock of the Company.

Gladstone Investment offers a Dividend Reinvestment Plan (DRIP). For more information regarding the DRIP, please visit our website at [www.GladstoneInvestment.com](http://www.GladstoneInvestment.com).

Summary Table for Common Stock Dividends for the Quarter Ending June 30, 2008:

Declared	X-Dividend	Record Date	Payment Date	Amount
April 8	April 18	April 22	April 30	\$0.08
April 8	May 19	May 21	May 30	\$0.08
April 8	June 18	June 20	June 30	\$0.08
Total for the Quarter Ending June 30, 2008:				\$0.24

In order to comply with the requirements of Section 19(a) of the Investment Company Act of 1940, as amended, the Company will post a Section 19(a) notice through the Depository Trust Company's Legal Notice System (LENS) and send out to its registered shareholders a Section 19(a) notice along with the payment of dividends declared for the months of April and May. This notice will not be for tax reporting purposes and will be provided only for informational purposes.

Gladstone Investment Corporation is an investment company that seeks to invest in subordinated loans, mezzanine debt, preferred stock and warrants to purchase common stock of small and medium-sized companies in connection with buyouts and other recapitalizations. Gladstone Investment also invests in senior and subordinated syndicated loans. For more information please visit our website at [www.GladstoneInvestment.com](http://www.GladstoneInvestment.com).

For further information contact Investor Relations at 703-287-5835.

This press release may include statements that may constitute "forward-looking statements," including statements with regard to the future performance of the Company. Words such as "believes," "expects," "estimated," "projects," "seeks," and "future" or similar expressions are intended to identify forward-looking statements. These forward-looking statements inherently involve certain risks and uncertainties, although they are based on the Company's current plans that are believed to be reasonable as of the date of this press release. Factors that may cause the Company's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements include, among others, those factors listed under the caption "Risk Factors" in the Company's Prospectus dated January 14, 2008, as filed with the Securities and Exchange Commission on March 24, 2008. We caution readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Source: Gladstone Investment Corp.