

June 23, 2008

 GLADSTONE INVESTMENT

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

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

Gladstone Investment Corp. (NASDAQ:GAIN) (the "Company") announced today that it plans to hold a conference call on Tuesday, July 1, 2008 at 11:00 am EDT to discuss the matters scheduled for a vote at this year's annual shareholders meeting. The Company's proxy statement for the annual shareholders meeting (the "Proxy Statement") was mailed to stockholders and filed with the U.S. Securities and Exchange Commission (the "SEC") on Friday, June 20, 2008. The matters scheduled for a vote at the annual meeting, as described in the Proxy Statement, are as follows:

- 1) The election of four directors to hold office until the 2011 annual meeting;
- 2) The approval of a proposal to authorize the Company to offer and issue long-term rights, including warrants, to purchase shares of its common stock at an exercise price per share that will not be less than the greater of the market value or net asset value of its common stock at the time the rights are issued;
- 3) The approval of a proposal to authorize the Company to sell shares of its common stock at a price below its then current net asset value per share; and
- 4) 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 March 31, 2009.

The Proxy Statement describing the proposals is available on the Company's website at www.GladstoneInvestment.com, and is also available at the SEC's website at www.sec.gov. Stockholders will have an opportunity to ask questions regarding the proposals during the conference call. You may call (877) 407-8031 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 two hours after the call and will be available through the date of the annual meeting, Thursday, August 7, 2008. To hear the replay, please dial (877) 660-6853 and use access code 286 and ID code 289000.

The web cast replay of Gladstone Investment's conference call will be available online through Wednesday, October 1, 2008 at www.GladstoneInvestment.com and www.investorcalendar.com. In the event of any changes in the scheduled date and time of the call, we will issue a press release which will be available on our website at www.GladstoneInvestment.com.

Gladstone Investment Corporation is a publicly traded business development company that

purchases small and mid-sized businesses. Additional information can be found at www.GladstoneInvestment.com.

For further information contact Kerry Finnegan at 703-287-5893.

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 "should," "believes," "feel," "expects," "projects," "strive," "goals," 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" of the Company's Annual Report on Form 10-K for the year ended March 31, 2008, as filed with the SEC on May 21, 2008. 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.