

July 8, 2009

# Gladstone Investment Announces Monthly Cash Distributions for July, August and September

MCLEAN, Va., July 8, 2009 (GLOBE NEWSWIRE) -- Gladstone Investment Corp. (Nasdaq:GAIN) (the "Company") announced today that the Board of Directors declared monthly distributions of \$0.04 per common share for each of the months of July, August and September of 2009.

Summary Table for Cash Distributions for the Quarter Ending September 30, 2009:

Declared	X-Date	Record Date	Payment Date	Cash Distribution
July 8	July 21	July 23	July 31	\$0.04
July 8	August 19	August 21	August 31	\$0.04
July 8	September 18	September 22	September 30	\$0.04

David Dullum, President of the Company, commented, "We are pleased with our portfolio performance and our ability to continue our cash distributions to shareholders commensurate with our net investment income. We continue to seek opportunities to build our portfolio and net investment income."

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).

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 August and September. This notice will not be for tax reporting purposes and will be provided only for informational purposes.

Gladstone Investment 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. For more information please visit our website at [www.GladstoneInvestment.com](http://www.GladstoneInvestment.com).

For further information contact Investor Relations at 703-287-5893.

Forward-Looking Statements

The statements in this press release regarding the performance of our portfolio of investments and our ability to continue cash distributions to shareholders commensurate with our net investment income are forward-looking statements that involve a number of known and unknown risks and uncertainties. Factors that could cause actual results to differ materially from the forward-looking statements include, but are not limited to, the effects of the current state of the economy and the capital markets on our portfolio companies' financial positions and operating results and, in turn, our operating results, and our ability to raise capital or increase the amount of our debt financing to grow our portfolio of investments. Additional factors that could cause actual results to differ materially from those stated or implied by our forward-looking statements are disclosed in the Risk Factors sections of our filings with the Securities and Exchange Commission. These forward-looking statements represent our judgment as of the time of the issuance of this press release. We disclaim any intent or obligation to update these forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable law.

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