

October 5, 2010

 GLADSTONE INVESTMENT

Gladstone Investment Corporation Announces Monthly Cash Distributions for October, November and December

MCLEAN, Va., Oct. 5 /PRNewswire-FirstCall/ -- Gladstone Investment Corporation (Nasdaq: GAIN) (the "Company") announced today that its board of directors declared monthly cash distributions of \$0.04 per share of common stock for each of October, November and December of 2010.

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

(Logo: <http://www.newscom.com/cgi-bin/prnh/20101005/GLADSTONEINVESTMENT>)

Summary Table for Cash Distributions for Quarter Ending December 31, 2010:

Declared	X-Date	Record Date	Payment Date	Cash Distribution
October 5	October 19	October 21	October 29	\$ 0.04
October 5	November 17	November 19	November 30	\$ 0.04
October 5	December 21	December 23	December 31	\$ 0.04
Total for the Quarter:				\$ 0.12

The Company offers a dividend reinvestment plan (the "DRIP") to its shareholders. For more information regarding the DRIP, please visit www.gladstoneinvestment.com.

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 October and November. This notice will not be for tax reporting purposes and will be provided solely for informational purposes.

The Company is a publicly traded business development company that seeks to make debt and equity investments in small and mid-sized businesses in the United States in connection with acquisitions, changes in control and recapitalizations. To sign up to receive notifications about Gladstone Investment and its sister companies, please visit www.gladstone.com.

For more information, please visit www.gladstoneinvestment.com.

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