

January 11, 2011

 GLADSTONE INVESTMENT

Gladstone Investment Corporation Announces Monthly Cash Distributions for January, February and March

MCLEAN, Va., Jan. 11, 2011 /PRNewswire/ -- 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 January, February and March of 2011.

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

Summary Table for Cash Distributions for Quarter Ending March 31, 2011:

| Declared | X-Date | Record Date | Payment Date | Cash Distribution |
|------------------------|-------------|-------------|--------------|-------------------|
| January 11 | January 19 | January 21 | January 31 | \$ 0.04 |
| January 11 | February 17 | February 21 | February 28 | \$ 0.04 |
| January 11 | March 17 | March 21 | March 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.

Gladstone Investment Corporation 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. Information on the business activities of all the Gladstone Funds can be found at www.gladstonecompanies.com.

For Investor Relations inquiries related to any of the monthly dividend paying Gladstone Funds, please visit www.gladstone.com.

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