

April 6, 2015

 GLADSTONE INVESTMENT

Gladstone Investment Corporation Announces Closing of Over-Allotment Option on Common Stock

MCLEAN, Va., April 6, 2015 (GLOBE NEWSWIRE) -- Gladstone Investment Corporation (Nasdaq:GAIN) (the "Company") today announced that in connection with the offering of its common stock, par value \$0.001 per share (the "Common Stock"), completed on March 13, 2015, the underwriters of the offering fully exercised and closed on their over-allotment option to purchase an additional 495,000 shares of Common Stock from the Company on April 2, 2015. The Company received approximately \$3.5 million in additional net proceeds from the sale of these shares, after deducting the underwriting discount. Janney Montgomery Scott LLC, BB&T Capital Markets, a division of BB&T Securities LLC, Ladenburg Thalmann & Co. Inc., a subsidiary of Ladenburg Thalmann Financial Services Inc., and Wunderlich Securities, Inc. served as joint book-running managers and J.J.B. Hilliard, W.L. Lyons, LLC and Maxim Group LLC served as co-managers for this offering.

The Company intends to use the net proceeds from the sale of these additional shares to repay outstanding borrowings under its revolving credit facility. Amounts repaid under the revolving credit facility remain available for future borrowings and the Company may use the proceeds of future borrowings to make investments in accordance with its investment strategy and for other general corporate purposes.

The offering was conducted as a public offering under the Company's effective shelf registration filed with the Securities and Exchange Commission (File No. 333-181879). **To obtain a copy of the prospectus and the final prospectus supplement for this offering, please contact: Janney Montgomery Scott LLC, 60 State Street, Boston, MA 02109, Attention: Equity Capital Markets Group or prospectus@janney.com.**

This communication shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or other jurisdiction.

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. The Company has paid 117 consecutive monthly cash distributions on its common stock. Information on the business activities of all the Gladstone funds can be found at www.gladstonecompanies.com.

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Source: Gladstone Investment Corporation