

January 9, 2009



Gladstone Capital Announces Proxy Conference Call Script Filing And Urges Shareholders to Vote Their Shares

MCLEAN, Va.--(BUSINESS WIRE)-- Gladstone Capital Corp. (NASDAQ:GLAD) (the "Company") held its previously announced conference call today to discuss the matters scheduled for a vote at the Company's 2009 annual shareholders meeting (the "Annual Meeting"). Shareholders who were not able to listen to the call this morning can access the replay by calling (877) 660-6853 and using access code 286 and ID code 301296. The webcast replay of the conference call will be available online through Friday, April 10, 2009 at www.GladstoneCapital.com and www.investorcalendar.com.

The script for the call was also filed today with the U.S. Securities and Exchange Commission (the "SEC"), and is available at the Company's website, www.GladstoneCapital.com, or the SEC's website at www.sec.gov.

The following matters scheduled for a vote at the Annual Meeting, which are further described in the Company's proxy statement mailed to shareholders and filed with the SEC on December 12, 2008 (the "Proxy Statement"), were discussed on the conference call today:

- 1) The election of four directors to hold office until the 2012 annual meeting;
- 2) 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
- 3) 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 September 30, 2009.

The Proxy Statement describes these proposals in detail and should be reviewed carefully by stockholders before voting. The Proxy Statement is also available at www.GladstoneCapital.com or www.sec.gov.

How to Vote Your Shares

The Company urges all shareholders who have not yet voted their shares to do so as soon as possible.

- Shareholders may vote by mailing in the proxy card they received with their Proxy Statement.
- Shareholders may also cast their votes on the internet at www.proxyvote.com as long as they know their proxy control number on the proxy card.
- Shareholders who wish to vote by phone may call the Company's proxy solicitor, Georgeson Inc., ("Georgeson") at (800) 932-9864 to vote by

- phone, or to receive instructions on voting by phone.
- Shareholders may also contact their stockbrokers for help with casting their votes.

Please note that voting by phone or internet may require that you have your proxy control number available. This number is printed on the proxy card accompanying the Proxy Statement. Shareholders with questions on how to vote are strongly encouraged to contact Georgeson at the number above, or the Company at 703-287-5893.

Stockholders also may vote by attending the Annual Meeting in person on Thursday, February 19, 2009 at 11:00 a.m. at the Hilton McLean Tysons Corner in McLean, VA. If you are unable to attend, please vote your shares of stock using one of the methods described above.

Gladstone Capital is a specialty finance company that invests in debt securities consisting primarily of senior term loans, second lien loans, and senior subordinate loans in small and medium sized businesses. Please visit our website at www.GladstoneCapital.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 "believes," "expects," "projects" 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 Form 10-K dated September 30, 2008, as filed with the Securities and Exchange Commission on December 2, 2008. The Company cautions readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made. 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 Capital Corp.