

**GLADSTONE INVESTMENT CORPORATION**  
**1521 WESTBRANCH DRIVE, SUITE 200**  
**McLEAN, VA 22102**

January 17, 2012

Mitzi J. Shannon  
Computershare  
500 Ross Street  
CSC 154-0690  
Pittsburgh, PA 15262

Dear Mitzi,

In connection with the Gladstone Investment Corporation dividends to be reported in calendar year 2011 to our shareholders on IRS form 1099, please be advised that we paid a total of \$0.555 per share for the calendar year 2011, as detailed below. Of this \$0.555 per share, 100.00%, or \$0.555, was deemed to be paid from ordinary income, 0% was deemed to be paid from long-term capital gains, and 0% was deemed to be paid from return of capital. These dividends do not qualify for the 15% preferential treatment.

<u>Date Paid</u>	<u>Amount Per Share</u>
January 31, 2011.....	\$ 0.04
February 28, 2011.....	0.04
March 31, 2011.....	0.04
April 29, 2011.....	0.045
May 31, 2011.....	0.045
June 30, 2011.....	0.045
July 29, 2011.....	0.05
August 31, 2011.....	0.05
September 30, 2011.....	0.05
October 31, 2011.....	0.05
November 30, 2011.....	0.05
December 30, 2011.....	<u>0.05</u>
Total Paid for Calendar Year 2011.....	<u><b>\$ 0.555</b></u>

Please generate form 1099 for our shareholders. If you should have any questions, please do not hesitate to call me at 703-287-5817 or David Watson (CFO) at 703-287-5860.

Regards,

Lewis Parrish  
Controller