

**Gladstone Investment Corporation****GAIN NASDAQ**

Investment Trusts

Market Capitalization USD:

\$150.14 mm**CONCERN LEVEL: LOW**

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance.
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less.
- 8 Unvested equity lapses when the CEO's employment is terminated.
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.

CEO: David Gladstone**Age: 70****CEO Since: 2005**

	2009	2010	2011
Base Salary			
Discretionary Bonus			
Annual Cash Incentive			
Benefits and Perquisites			
TOTAL ANNUAL COMPENSATION			
Increase in Post-Retirement Benefits			
Stock Option Awards			
Stock Awards			
TOTAL COMPENSATION			
Median of Other Named Executive Officers Total Compensation			
Value Realized on Exercise of Stock Option			
Value Realized on Vesting of Stock			
TOTAL REALIZED EQUITY COMPENSATION			

Proxy Date: 22 Jun 2012

Annual Meeting Date: 9 Aug 2012

Equity Reserves:

Stock Option Run Rate:

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Performance Comparison

■ S&P500 ■ Industry ■ GAIN



Peer Comparisons (TRBC) - Investment Trusts

Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
GAIN	Gladstone Investment Corporation				\$150,144,904
MAIN	Main Street Capital Corporation	\$879,287	\$1,182,320	\$1,801,192	\$411,986,978
PNNT	PennantPark Investment Corporation				\$407,552,846
HTGC	Hercules Technology Growth Capital, Inc.	\$2,699,525	\$4,214,312	\$3,243,834	\$373,653,648
GBDC	Golub Capital BDC, Inc.				\$322,748,459
TCAP	Triangle Capital Corporation	\$1,054,167	\$1,127,035	\$1,833,628	\$283,476,122
TICC	TICC Capital Corp.				\$266,926,032

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps. Missing peer pay figures for 2011 are due to differences in company filing schedules.

Pay Peer Group

NA

Performance Peer Group

NA

COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Anthony W. Parker	Alternate	66	Male	7	Outside
Michela A. English	Alternate	62	Female	7	Outside
John H. Outland	Chairman	66	Male	7	Outside
Paul W. Adelgren	Member	69	Male	7	Outside

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