

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
 Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
 Definitive Proxy Statement
 Definitive Additional Materials
 Soliciting Material Pursuant to §240.14a-12

Gladstone Capital Corporation
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
 Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
- (1) Title of each class of securities to which transaction applies: _____
- (2) Aggregate number of securities to which transaction applies: _____
- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined): _____
- (4) Proposed maximum aggregate value of transaction: _____
- (5) Total fee paid: _____
- Fee paid previously with preliminary materials.
 Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
- (1) Amount Previously Paid: _____
- (2) Form, Schedule or Registration Statement No.: _____
- (3) Filing Party: _____
- (4) Date Filed: _____

On Thursday, January 29, 2009, Gladstone Capital Corporation (the "Company") issued a press release announcing the recommendations of Institutional Shareholder Services regarding the proposals scheduled for a vote at the Annual Meeting. The text of the press release is attached below.



**Risk Metrics Group Recommends "For" Vote on all Proposals for
Gladstone Capital Corporation 2009 Annual Meeting of Stockholders**

McLean, VA, January 29, 2009: Gladstone Capital Corp. (NASDAQ: GLAD) (the "Company") today announced that Risk Metrics Group (formerly known as Institutional Shareholder Services, or ISS) ("Risk Metrics"), a leading independent proxy advisory firm, issued a report recommending that stockholders of the Company vote "For" all of the proposals included in the proxy statement for the Company's 2009 Annual Meeting of Stockholders. The following proposals are scheduled for a vote at the Annual Meeting:

- Election of directors Maurice Coulon, Gerard Mead, David A.R. Dullum, and Terry Brubaker to hold office until the 2012 Annual Meeting of Stockholders;
- 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
- 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 Annual Meeting of Stockholders is scheduled for Thursday, February 19, 2009 at 11:00 a.m. local time at the Hilton McLean Tysons Corner at 7920 Jones Branch Drive, McLean, Virginia.

The specific analysis Risk Metrics provided for its "For" recommendation on the Company's proposal to authorize the sale of its common stock at a price below its then-current net asset value (NAV) per share is as follows:

"We note that the sale of shares at a price below NAV will initially dilute outstanding shares. However, approval of this proposal may allow the board to invest in attractive opportunities as they arise, and may give the company flexibility to forestall the potential forced sale of assets at unfavorable prices.

Further, the proposal includes certain safeguards for shareholders, notably that shareholder approval of the proposal would only be valid for one year, and that any sale of shares at a price below NAV must be approved by a majority of the company's disinterested directors. Moreover, shareholder approval, if granted, will only be valid for one year, after which management must resubmit the proposal.**

An informational call was held on January 9, 2009 regarding these proposals. Stockholders who were unable to listen to the call may 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 the date of the Annual Meeting at www.GladstoneCapital.com and www.investorcalendar.com. The script for the call

was also filed on January 9, 2009 with the U.S. Securities and Exchange Commission, and is available at the Company's website, www.GladstoneCapital.com, or the SEC's website at www.sec.gov.

The Company reminds stockholders that their vote is important, and urges all stockholders to take a moment to vote their shares. Stockholders with questions on how to vote are strongly encouraged to contact the Company's proxy solicitor, Georgeson Inc. at (800) 932-9864, or the Company at 1-866-366-5745.

Important Information

On December 12, 2008, Gladstone Capital Corporation filed a definitive proxy statement with the Securities and Exchange Commission ("SEC") in connection with Gladstone Capital's 2009 Annual Meeting of Stockholders. Gladstone Capital's stockholders are strongly advised to read the definitive proxy statement carefully before making any voting or investment decision because the definitive proxy statement contains important information. Gladstone Capital's proxy statement and any other materials filed by Gladstone Capital Corporation with the SEC can be obtained free of charge at the SEC's website at <http://www.sec.gov> or from Gladstone Capital Corporation at <http://www.gladstonecapital.com>.

*Permission to quote neither sought nor obtained from Risk Metrics Group.

For further information contact Investor Relations 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 "should," "believes," "feel," "expects," "confident," "projects," "strive," "goals," 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 for the fiscal year ended September 30, 2008, as filed on December 2, 2008. The risk factors set forth in the Form 10-K under the caption "Risk Factors" are specifically incorporated by reference into this press release. 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.
