

GAMCO
INVESTORS

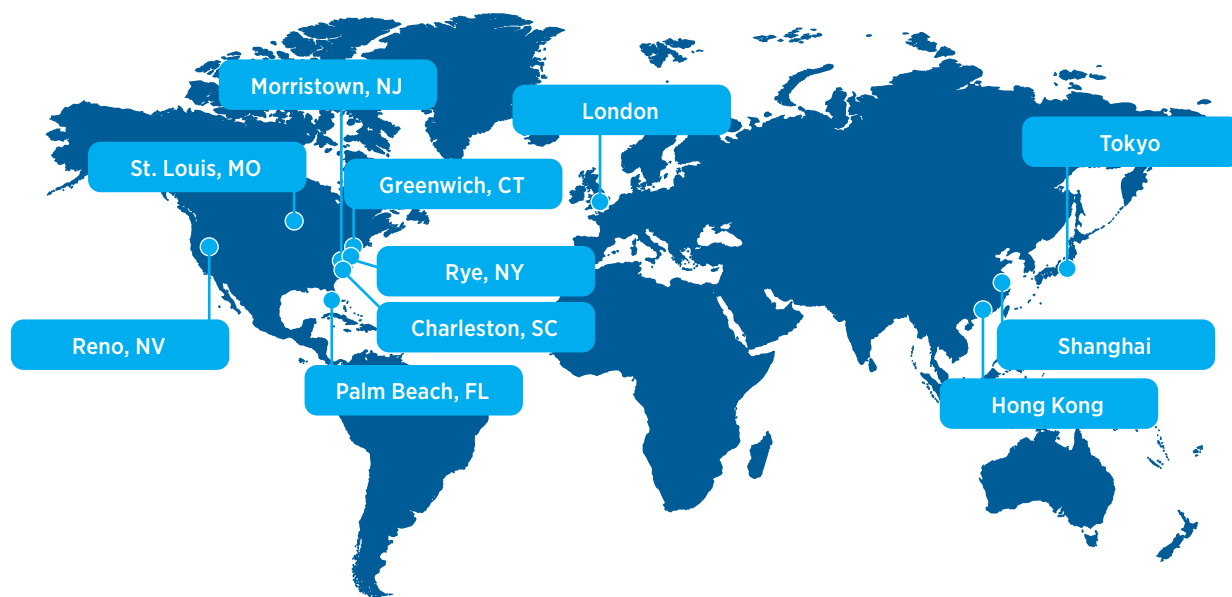
ANNUAL
REPORT
2021



— GAMCO INVESTORS, INC. —

(NYSE:GBL)

(Y)OUR FIRM

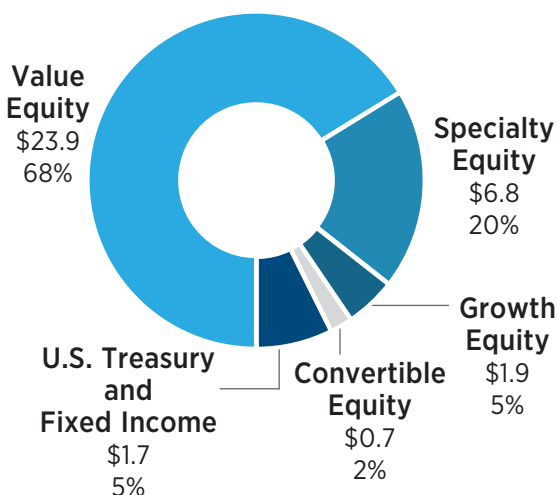


FINANCIAL HIGHLIGHTS

	2021	2020
Assets under management	\$ 35.0 Billion	\$ 32.6 Billion
Net income	\$ 73.2 Million	\$ 58.7 Million
Net income per share - diluted	\$ 2.73	\$ 2.20
Dividends per share	\$ 2.10	\$ 0.98
Year end shares outstanding	26,728	27,503

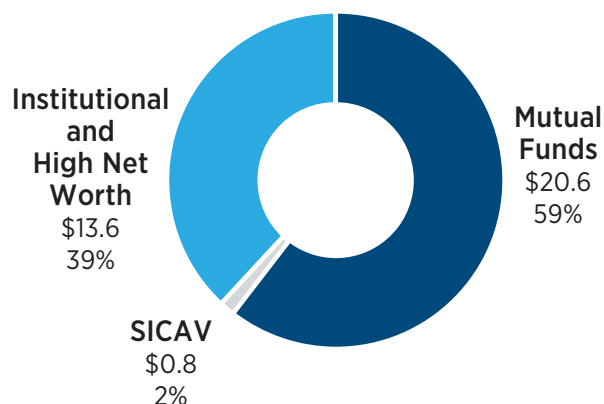
AUM by Asset Class

12/31/21 (\$ in billions)



AUM by Type

12/31/21 (\$ in billions)



GAMCO'S CLIENT-FOCUSED MISSION IS TO USE OUR SCALE AND EXPERIENCE TO CREATE, GROW, AND PRESERVE CLIENT WEALTH.

(Y)OUR MISSION STATEMENT

To earn a superior risk-adjusted return for our clients over the long-term by providing value-added products.

By earning returns for all clients, we will be earning returns for all our stakeholders:

- Our Professional Staff
- Our Shareholders

For the 45 years since the launch of our flagship Gabelli Value strategy, we are recognized as a leader in research-driven equity investing. We initially offered separate account portfolios to Institutional and Private Wealth clients in 1977, followed by the launch of our Gabelli Funds business in 1986, offering mutual funds and closed-end funds directly and through financial intermediary channels. In addition to Value strategies, GAMCO has managed solutions for over 25 years in Growth Equity, Convertibles, ESG-SRI, Merger Arbitrage, Fixed Income, and sector-focused strategies including Gold and Utilities.

GAMCO is aligned with our clients seeking flexible portfolios tailored to their unique investment objectives. Today, we manage over 1,400 custom separate account portfolios across our many strategies, including Value Equity, Growth Equity, ESG-SRI, Convertibles, Merger Arbitrage, Gold, and Fixed Income.

We began offering our active investment management approach through actively-managed Exchange Traded Funds (ETFs) in 2021. To complement our separate account, open-end funds, and closed-end funds solutions, we announced plans to develop nine of these active, semi-transparent ETF strategies with focused investment themes. To date, we have launched our first three ETFs:

- Love our Planet and People ETF (LOPP), investing in publicly traded companies with a focus on the environment and sustainability
- Growth Innovators ETF (GGRW), dedicated to investing in the digital economy
- Gabelli Automation ETF (GAST), investing in drivers of automation and productivity

Heritage of Growth

ORGANIZATION	STRATEGY LAUNCH	ESG-SRI INITIATIVES	CLIENT ENGAGEMENT
1977 GAMCO is founded	1977 Value Equities	1987 SRI separate accounts	1977 Separate Accounts
1999 Public listing (NYSE: GBL)	1979 Convertibles 1987 Growth Equities 1992 Money Market 1993 Merger Arbitrage	1988 Magna Carta of Shareholder Rights is published 2007 Gabelli ESG Fund 2011 ESG separate accounts 2021 Love our Planet and People Active ETF	1986 Gabelli Funds 2021 Active ETFs

Global Presence

GAMCO is proud to serve investors in over 15 countries. In 2021, we expanded our global presence via SICAV and separate account solutions, and we seek to further deliver our investment expertise to offshore clients through our growing relationships with financial intermediaries, institutional investment consultants, and direct client engagement. Our distribution professionals in London, Hong Kong, Tokyo, and Shanghai provide regional expertise in serving local Institutional and Private Wealth investors and are supported by their U.S.-based distribution teammates.

Long-standing ESG-SRI Initiatives

ESG (Environmental, Social, and Governance) strategies are attracting meaningful interest as investors place greater emphasis on environmental and social issues alongside their investment objectives. GAMCO has a long-standing focus on Governance, beginning with our Magna Carta of Shareholder Rights published in 1988, stating that we are in favor of shareholders and that we actively seek avenues that will maximize shareholder value. GAMCO is a leading voice for shareholders as we engage on governance issues directly with companies especially through our active proxy voting committee. In 2016, GAMCO became a signatory to the United Nations Principles for Responsible Investment (UN PRI), an international organization which promotes the incorporation of environmental, social, and corporate governance factors into investment decision making.

GAMCO manages over \$550 million in separate account strategies with ESG and/or SRI factor-related investment guidelines for Institutional and Private Wealth clients. We also offer an ESG-dedicated mutual fund and ETF. GAMCO began managing Socially Responsive (SRI) separate account portfolios in 1987, and launched our Gabelli ESG Fund in 2007. We expanded our capabilities in 2011 with ESG-specific separate accounts, and in 2021 launched the Love Our Planet & People (LOPP) actively managed ETF focused on the Environment. LOPP invests in companies committed to sustainable practices such as renewable energy, reduction or recycling of long-lived wastes, and clean mobility.

Client-focused Initiatives

Since the start of the pandemic nearly two years ago, GAMCO teammates have worked closely together with a goal of delivering a seamless experience for our clients. We continue to host our sector-focused conferences that provide client access to company management team insights on topics such as Healthcare, Pump, Value & Water Systems, Aerospace & Defense, Waste & Environment Service, Entertainment & Broadcasting, and Automotives, among others. As with prior years, in May 2022, GAMCO will again host our annual investment seminar for our Institutional and Private Wealth clients, and for the first time since 2019, we will meet in person. We look forward to seeing you!

FOCUS ON SUSTAINABILITY



GABELLI FUNDS

lopp@gabelli.com



GIVING BACK TO SOCIETY

Generating returns for stakeholders is not the sole gauge in measuring success

OUR SHAREHOLDERS DESIGNATE THE RECIPIENTS OF CHARITABLE CONTRIBUTIONS



IN 2021, (Y)OUR BOARD OF DIRECTORS APPROVED A \$11.3 MILLION CONTRIBUTION

\$48 MILLION IN SDCC DONATIONS TO 280+ INITIATIVES SINCE 2013

A TOTAL OF \$74 MILLION HAS BEEN DONATED TO CHARITIES SINCE OUR IPO IN 1999

The Board of Directors of GAMCO initiated a Shareholder-Designated Charitable Contribution (SDCC) program in 2013. GAMCO's program tracks, in part, the shareholder program established by Berkshire Hathaway in 1981. The Berkshire Hathaway program continued for over 20 years, until 2003. Warren Buffet's letter to shareholders at the inception of Berkshire's program explained that charitable giving in this manner provides significant benefits to shareholders. Each eligible shareholder is able to choose whether a contribution of corporate funds based on his/her ownership interest is to be made, and, if so, to specify the recipient of that contribution.

The shareholder's judgment - not the judgment of the company's directors or management - controls the contribution process. Under this program, each registered shareholder of GAMCO has the ability to designate a 501(c)(3) organization that GAMCO contributes to on the shareholder's behalf.

May 16, 1988

**MAGNA CARTA
OF
SHAREHOLDER RIGHTS**

There has been a great deal of dialogue among fund sponsors, especially among corporate sponsors, about the voting of proxies. The U.S. Department of Labor has focused on this as well. We thought it timely to share with you our thought process on the voting of proxies.

The MAGNA CARTA (a) of Shareholder Rights

As we have stated in the past, we are neither for nor against management. We are for shareholders.

As security analysts we are best informed (sic!) to make the decisions on matters that will affect the economic value of investments. We believe a Magna Carta of Shareholder Rights should exist. What do you as a professional in the investment business think?

We feel there are issues that affect corporate governance. The following list outlines our position on these issues:

We are in favor of:

- Cumulative Voting
- Golden Parachutes
- One Share: One Vote
- Cash Incentives
- Pre-emptive Rights

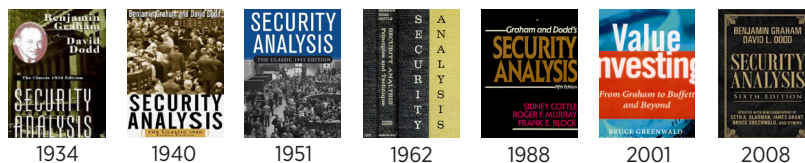
We will vote against:

- Greenmail
- Poison Pills
- Supermajority Voting
- Blank Check Preferreds
- Super-Dilutive Stock Options

This is our policy. We will make exceptions when we encounter management that demonstrates superior sensitivity to the needs of shareholders. What are you doing?

(a) The **MAGNA CARTA** (L. great charter) was signed in June 1215 at Runnymede on the Thames. It was the decisive step forward in the establishment of constitutional government in England.

THE GABELLI PRIZE



“Imagine that in some private business you own a small share that cost you \$1,000. One of your partners, named Mr. Market, is very obliging indeed. Every day he tells you what he thinks your interest is worth and furthermore offers either to buy you out or sell you an additional interest on that basis. Sometimes his idea of value appears plausible and justified by business developments and prospects as you know them. Often, on the other hand, Mr. Market lets his enthusiasm or his fears run away with him, and the value he proposes seems to you a little short of silly.

*If you are a prudent investor or a sensible businessman, will you let Mr. Market’s daily communication determine your view of the value of a \$1,000 interest in the enterprise? Only in case you agree with him, or in case you want to trade with him. You may be happy to sell out to him when he quotes you a ridiculously high price, and equally happy to buy from him when his price is low. But the rest of the time you will be wiser to form your own ideas of the value of your holdings, based on full reports from the company about its operations and financial position.” - Benjamin Graham, *The Intelligent Investor**

Despite the many changes that have taken place in the investing landscape, the parable of Mr. Market has held true since *The Intelligent Investor* was first published in 1949. Its message – that the whims of Mr. Market do not represent the true intrinsic value of a security – is at the core of the value investing philosophy.

The value approach to investing pioneered by Professors Benjamin Graham and David Dodd and further developed by Professors Roger Murray and Bruce Greenwald of the Columbia University Graduate School of Business has been, by a wide margin, the most consistently successful approach to investing. This success has been validated by a number of academic/statistical studies, by the performance of value-oriented money management institutions, and by the records of individual, value-oriented investment managers. Our belief is that the dissemination, extension, and refinement of the value approach are broadly beneficial to investors at large. In 2005, GAMCO Asset Management Inc., in cooperation with the Columbia University Graduate School of Business, established an annual prize for Value Investing. The prize is intended to honor individual contributions in at least one of five areas, which serve the goals of refining, extending, and disseminating the practice of Value Investing. They are:

- Innovative work in valuing securities in the Graham & Dodd tradition for either particular industries or particular asset classes. This work may be either theoretical/academic or applied/practical. However, it will extend existing conventional wisdom on valuation in ways that can be usefully applied in practice.
- Innovative academic research of either a theoretical or statistical nature that illuminates and extends the principles of Value Investing.
- Work in community building and/or information dissemination that contributes to the widespread practice of Graham & Dodd principles.
- Outstanding contributions to Value Investing education by students, faculty (adjunct & full time), and practitioners.
- Contributions to the implementation of sound Value Investing practices within companies either through investor activism or public advocacy.

PREVIOUS RECIPIENTS



Joel Greenblatt
2005



Martin J. Whitman
2006



Robert W. Bruce III
2007



Jean-Marie Eveillard
2008



Richard H. Thaler, Ph.D.
2009



Charles M. Royce
2010



Erin Bellissimo
2011



William A. von Mueffling
2012



Michael Price
2013



Ravi Jagannathan
2014



Michael J. Mauboussin
2021



Lewis A. Sanders
2020



Bruce C. Greenwald
2019



Christopher C. Stavrou
2018



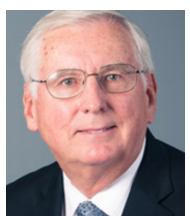
Thomas A. Russo
2017



Howard S. Marks, CFA
2016



Leon G. Cooperman
2015



Prof. James R. Kelly
2022



Benjamin Graham David Dodd Roger Murray Bruce Greenwald



William E. Simon, Jr.
2014

A committee drawn from the Value Investing community, led by Bruce Greenwald and Tano Santos, will apply these criteria in awarding the prize. This year, we have selected Prof. James R. Kelly of Fordham University. He will be awarded the Gabelli Prize at GAMCO’s 37th Annual Client Conference in May 2022. The first recipient was Joel M. Greenblatt who received the honor at GAMCO’s Annual Client Conference in May 2005. In 2006, it was Martin J. Whitman; 2007, Robert W. Bruce, II; 2008, Jean Marie Eveillard; 2009, Richard H. Thaler, Ph.D.; 2010, Charles M. Royce; 2011, Erin Bellissimo; 2012, William von Mueffling; 2013, Michael F. Price; 2014, Profs. Ravi Jagannathan and William E. Simon, Jr; 2015, Leon Cooperman; 2016, Howard S. Marks; 2017, Thomas A. Russo; 2018, Christopher C. Stavrou; 2019, Bruce C. Greenwald; 2020, Lewis A. Sanders and 2021, Michael J. Mauboussin. In 2022, Prof. James R. Kelly was named the eighteenth recipient of the Graham and Dodd, Murray, Greenwald Prize for Value Investing.

CHAIRMAN'S LETTER

Dear Partners/Shareholders:

I started last year's letter as follows, "How does one even begin to summarize 2020?" Let me echo the same for 2021 and add additional comments.

2021 - 2022

As I'm writing this letter, Wall Street has brought back the proverbial "Wall of Worry." Let me touch on several important "I's":

I - Inflation

I - Infection

I - Invasion

I - Infrastructure

I - Incomplete policy - energy

INFLATION

Looking through the rear view mirror, we point out that inflation has recently accelerated while policy makers "perceived inflation to be transitory." The Federal Reserve is now on a fast forward path to raise rates and to run off the nearly \$9 trillion that was put on its books.

We watched a surge of inflation unfold in the 1970's - we believe that the current food and fuel increases will hit the consumer, and wages will accordingly have to accelerate (hopefully, without the gas lines of that earlier period).

Taxes are likely to go up at some point to pay for the rising cost of government outlays and for the "interest" expense on the Federal deficit of around \$30 trillion.

The good news is that state and local governments are enjoying significant increases in revenues - let's hope, they put this windfall to good use and don't fritter it away.

	Stocks	Bonds	Bills	Inflation
20s	23.5	5.9	0.4	4.0
10s	13.6	6.9	0.6	1.8
00s	-0.9	7.7	2.8	2.5
90s	18.2	8.8	4.9	2.9
80s	17.5	12.6	8.9	5.1
70s	5.9	5.5	6.3	7.4
60s	7.8	1.4	3.9	2.5
50s	19.4	-0.1	1.9	2.2
40s	9.2	3.2	0.4	5.4
30s	-0.1	4.9	0.6	-2.0
1926 - 2021	10.5%	5.6%	3.3%	2.9%

Source: Ibbotson Associates BAML Estimates as of December 31, 2021

INCOMPLETE POLICY - ENERGY

More to the point, we as a planet need renewable energy, wind, solar, cybersecurity, storage, transmission and nuclear fusion. Yet, we have to be practical. We have to unleash the power of our domestic energy ecosystem to generate the necessary short term results, and that not only involves drilling for natural gas and oil, but also developing the infrastructure to deliver the fuel to our households and businesses, and to European countries dependent on Russian sources. So, we have some incomplete, I am not using the word incompetent, incomplete policy dynamics taking place that need to be addressed.

AS FAR AS WHAT WE DID FOR CLIENTS ASSETS ENTRUSTED TO US

- Our teams that performed well last year included our Growth, Convertible, and yes - Value teams on an absolute basis.
- The Growth team, led by Howard and Chris Ward, was up approximately 24%.
- The Convertible team, led by the Dinsmore Family at the Dinsmore Group, was up 2%.
- Even our Value team was up 22% - dull in relation to the overall markets but well above the 15% CAGR that has been delivered for the last 40 years on an unleveraged, tax sensitive basis.
- The U.S. Treasury team has been led by Judy Raneri and Ron Eaker for the past 33 years.
- We launched 3 ETF's; Gabelli Love Our Planet & People, Gabelli Growth Innovators, and the Gabelli Asset ETF.

Next, as we start 2022, the U.S. market appears to be focused on EBITDA minus capex and not multiples of revenue growth. Will this continue? - work in progress...

NOT ALL IS BRIGHT

Our society is stressed by an increasing inability to tolerate different viewpoints. There have been attacks on the way capital is allocated in a free market economy that has been governed by the Rule of Law and based on meritocracy. While this system may have many faults, it works far better for all than other systems.

We remain focused on the interplay of the global geographic and economic issues and how they impact equity valuation, both stock specific and for the overall capital markets.

Within this framework, costs for (y)our public company continue to rise as insurance for healthcare and other potential legal challenges (we should have a losing party pay legal system as in England); costs for compliance with an ever increasing array of regulatory issues for accounting services; and so on, continue to increase.

But the real cost of the often evolving and necessary regulatory change is the time diverted from research and client service that this puts on (y)our professional team. It is not a level playing field; ETF's are not burdened by the same tax issues that are incurred for our taxable clients, including clients invested in mutual funds.

LET US HIGHLIGHT WHAT WE DO:

Visiting companies remains the core of our bottoms up research focus and an important underpinning of our fundamental and value approach to stock selection. COVID made the process over the past 2 years similar to Tom Hanks' dilemma in the movie Cast Away.

We see more than slivers of hope! Our teams in the UK, Tokyo, (Shanghai, Hong Kong) and the U.S. are visiting companies in person once again. Our fundamental research philosophy reflects our GAPIC (gather, array, project, interpret, communicate) approach to value investing. It also encompasses a "compounded" accumulated knowledge of indices, sectors and specific companies.

Our conferences, which our portfolio managers and analysts orchestrate - and which we encourage you to join - underscore our research intensity and are listed below:

32nd Annual Pump, Valve & Water Symposium – February 24, 2022

13th Annual Specialty Chemicals Symposium – March 10, 2022

8th Annual Waste & Environmental Services Symposium – March 31, 2022

29th Annual Value Investing Conference – April 29, 2022

14th Annual Entertainment & Broadcasting Symposium – June 2, 2022

28th Annual Aerospace & Defense Systems Symposium – September 8, 2022

46th Annual Automotive Symposium – October 31 – November 1, 2022

4th Annual Gabelli – Columbia Healthcare Symposium – November 18, 2022

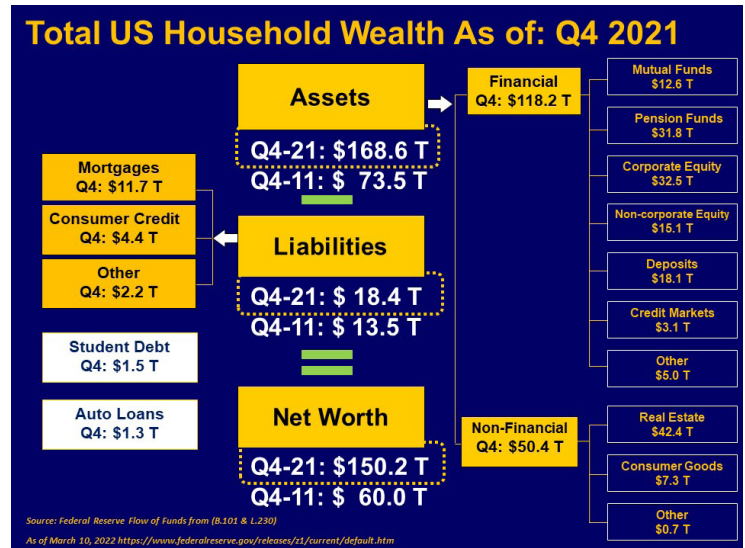
A SPECIAL THANKS

I would like to extend my thanks to our team around the world for their focus on research and client service during the past two years. Thanks also to all of the separately managed accounts and mutual funds clients of our Firm, as well as our Board of Directors for their advice and counsel, and to all of our teammates who you will read about in the following sections of this Annual Report.

And thanks to Agnes Mullady, who elected to take a sabbatical and subsequently retired as COO of Gabelli Funds. We are pleased to announce she will be joining (y)our board as an interested director.

I also extend a special thanks to Doug Jamieson, whose tireless efforts provided us and (y)our team with rock solid daily attention to the operating details of managing GAMCO for the past four decades and most importantly for the past twenty-four months.

Thank you for your support and investment in GAMCO.



Sincerely,

Mario Gabelli

Mario J. Gabelli
Chairman & CEO

— PRIVATE WEALTH MANAGEMENT —



Douglas R. Jamieson
President and COO

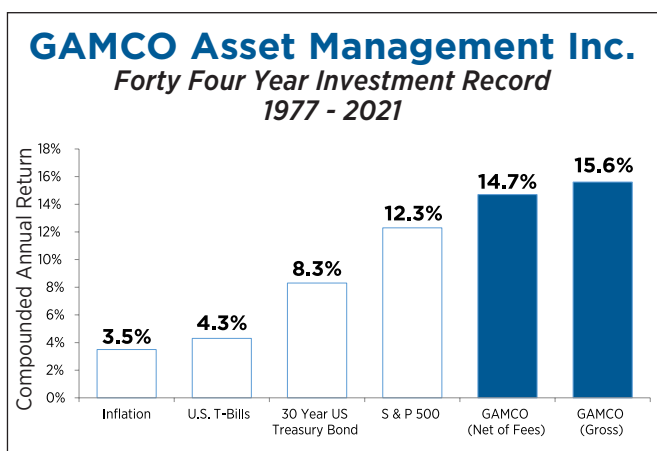
joined GAMCO in 1981 and is the President and Chief Operating Officer of GAMCO Asset Management Inc. since August 2004. Member of GAMCO's Board of Directors.

Mr. Jamieson received a BA from Bucknell University and an MBA from the Columbia Business School.

GAMCO Asset Management ended 2021 with \$13.5 billion of assets under management across over 1,400 portfolios. The majority of the portfolios were managed in Gabelli's Private Market Value with a Catalyst™ approach. The markets ended the year on a choppy note in reaction to the emergence of the Omicron variant, exacerbated by the anticipated removal of fiscal and monetary support for the economy. As the U.S. economy shifts to a post pandemic growth phase, the Fed is positioned to start raising interest rates to stave off inflation. Adding to market volatility is the uncertainty surrounding the next fiscal policy moves to pay for programs favored by the Biden administration as well as the geo-political events roiling the markets. Across the board, for our various investment strategies including Growth, gold and convertibles, the common thread is that they all remain embedded in fundamental research. At our core is the proprietary, research-driven, stock selection methodology without using leverage or derivatives. Our long-term buy-and-hold, tax-sensitive strategy works.

As we look towards the balance of 2022 and beyond, we will continue to do what our value team has done best since 1977 – invest in companies based on our Private Market Value with a Catalyst™ approach. The foundation of our intense research is the notion of investing in a cash-generating business with a solid franchise that is selling at an attractive discount to its Private Market Value. This discount provides us with a margin of safety. We then identify a catalyst that can bring the underlying value to the surface. During the height of the pandemic, the margin of safety expanded dramatically, the potential universe of candidates exploded, and we were able to deploy capital at advantageous values.

Each year we hold an investment seminar for our private wealth management and institutional clients. On Friday, May 14, 2021, we hosted a webcast of our 36th Annual Client Symposium. The virtual meeting had a record number of participants. As in past years, we inducted five honorees to the GAMCO Management Hall of Fame, who were: Nick Caporella of National Beverage; Troy Clarke of Navistar; Pat Collawn of PNM Resources; Eileen Drake of Aerojet Rocketdyne; and, John Legere of T-Mobile. Last year's meeting worked well, we covered a lot of territory and clients appreciated the depth and breadth of the subject matter. This year, on Friday, May 20, 2022, we look forward to sharing our Portfolio Strategy, investment ideas, and to update our economic and investment forecast for the coming year at the newly refurbished Pierre Hotel. Given the recent market volatility, the prospects for tax reform and the social, economic and geopolitical challenges in 2022, we certainly will not be lacking for engaging subject matter for this year's meeting.



Expressed Another Way	Gabelli Value	S&P 500	Russell 2000	CPI +10
Number of Up Years	39	37	31*	
Number of Down Years	6	8	12*	
Years Gabelli Beat Index		28	26*	29
Total Return (CAGR) (a)	15.6%	12.3%	11.7%	13.5%
Number of Stocks	104	505	2036	
Median Market Capitalization	\$7.3 B	\$34.3 B	\$1.2 B	
Mean Market Capitalization	\$29.0 B	\$89.0 B	\$1.8 B	

* Calculation of Russell 2000 commenced 1/1/79.
(a) Annual periods ending December 31, 2021, gross of fees

— MUTUAL FUNDS —

At December 31, 2021, the 13 U.S. closed-end funds had \$8.6 billion in assets under management (AUM), the 23 open-end funds had \$10.2 billion in AUM, and The Gabelli U.S. Treasury Money Market Fund had \$1.7 billion in AUM.

The Gabelli closed-end funds generally enjoyed positive results. Our flagship Gabelli Equity Trust (focusing on growth of capital) returned 28.8% on a market basis, while The Gabelli Dividend and Income Trust returned 32.8%, The Gabelli Multimedia Trust returned 23.5%, and The Gabelli Convertible and Income Securities Fund increased by 20.1%.

The Gabelli Dividend and Income Trust placed \$150 million of 4.25% Series K Preferred Shares, The Gabelli Healthcare & WellnessRX Trust completed a \$40 million offering of 4.00% Series E Preferred Shares, The Gabelli Global Small and Mid Cap Value Trust completed a \$40 million offering of 4.00% Series B Preferred Shares, and The Gabelli Equity Trust completed an initial private placement of 4.25% Series M Preferred Stock.

Three closed-end funds completed rights offerings: The Gabelli Utility Trust raised approximately \$43 million, The Gabelli Equity Trust raised approximately \$144 million, and The Gabelli Multimedia Trust raised approximately \$18 million.

Among the Gabelli open-end funds, The Gabelli Asset Fund grew 19.2% for the year. The Gabelli Growth Fund returned 22.8% and The Gabelli Global Growth Fund increased 21.1%, both while outperforming their benchmarks since inception. As a specialized offering, The Gabelli Global Financial Services Fund rose 29.2%.

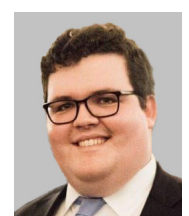
We launched two actively managed semi-transparent ETFs in 2021, the first of which, Love our Planet & People (NYSE: LOPP), offers a loyalty program under which the first \$100 million invested in LOPP will incur no fees or expenses for at least one year. Our second ETF, the Gabelli Growth Innovators (NYSE: GGRW), provides an investment opportunity in businesses both enabling and benefitting from digital acceleration.



John Ball
Senior Vice President
Gabelli Funds

joined GAMCO Investors in 2017. Mr. Ball graduated with a BA from Syracuse University and an MBA from Columbia Business School and London Business School.

— INVESTOR RELATIONS —



Investor Relations Team: (left to right)

The Closed-End Fund Investor Relations team had a busy and productive year in 2021. Despite the continuing challenges presented by COVID, the team maintained coverage both in the office and remotely, and continued to meet our shareholders' needs efficiently.

As part of our shareholder outreach initiatives, each quarter we review direct shareholder accounts for uncashed checks and accounts on state escheatment lists, and attempt to contact the affected shareholders. This has saved thousands of dollars for our shareholders.

Over the course of the year, the team refined the Closed-End commentary, adding infographics and thumbnails of available research reports. Many shareholders called and emailed to request the research reports and information about other funds in the complex.

The past year was dynamic and productive for the Gabelli Closed-End Investor Relations team, and we look forward to serving our shareholders in 2022 and beyond.

Molly A.F. Marion BA, The University of Toronto MBA, The George Washington University

Carter W. Austin BA, Indiana University MBA, Georgetown University

Laurissa M. Martire BA, University of North Carolina, Charlotte

Bethany A. Uhlein BS, Fairfield University

David I. Schachter BA, Queens College MA, New York University

Adam E. Tokar BA, Gettysburg College

Daniel E. Hughes BA, Harvard University

— INSTITUTIONAL —



Regina M. Pitaro
Managing Director

joined GAMCO Investors, Inc. in 1984 and is currently a Managing Director and Head of Institutional Marketing. Ms. Pitaro holds an M.B.A. in Finance from Columbia Business School.



Marisa Avansino
Senior Vice President

joined GAMCO Investors in 2001. Ms. Avansino received a BA from Duke University



Janice Musselwhite
Senior Vice President

joined GAMCO Investors in 2004. Ms. Musselwhite received a BA from Duke University and an MBA from Columbia Business School.



Theresa A. Pope
Director of Institutional
Consultant Relations

joined GAMCO Investors in 2018. Ms. Pope received a BA from Brown University and an MBA from the University of Chicago Booth School of Business.



Gino Torretta
Senior Vice President

joined GAMCO Investors in 2004. Mr. Torretta received a BBA from University of Miami



Chris Desmarais
Director of Institutional
Consultant Relations

joined GAMCO Investors in 2007. Mr. Desmarais received a BA from Fairfield University

GAMCO Investors' partnership with regional, national and global consultants continues to evolve as we broaden our engagement to deliver custom solutions and best idea insights suitable for clients across all segments. In 2021, Global Growth, Large Cap Growth and Large Cap Value have been focus topics and the source of new opportunities, and we're excited to build upon new relationships with consulting firms domiciled outside of the U.S. Throughout the pandemic GAMCO continues to see opportunities with consultants, including the participation in invitation-only searches and inclusion on several of the larger platforms. Looking forward into 2022, GAMCO's ESG Value strategies are attracting meaningful interest as investors are placing a greater emphasis on environmental and social issues as part of their investment objectives. GAMCO has a long-standing focus on several of the factors that comprise ESG, especially Governance, beginning with our Magna Carta of Shareholder Rights that we published in 1988.



Karen C. Fang
Managing Director
Wealth Management

joined GAMCO Investors in 2020. Ms. Fang received a BA in Economics from Mount Holyoke College and an MBA in Finance from Columbia University.

— WEALTH MANAGEMENT —

Loyal and long-term client relationships built across generations, have provided us with a deep understanding of the goals and values of each of our clients and their families. The GAMCO wealth management initiative to date, has been well received by private wealth clients. The initiative focuses on deepening valuable private wealth relationships and expanding growth opportunities.

Over the course of the year, GAMCO has worked together with clients on wealth management areas ranging from planning for a successful retirement, to wealth transfer and estate planning strategies. These conversations have offered an open dialogue and a resource to help articulate family goals. The engagement of younger generations into these conversations has been another important aspect of these efforts. As a trusted advisor, we are well positioned to provide insights, options and personalized solutions regarding various aspects of a client's wealth.

With the pandemic subsiding, we are excited about the opportunity to have more in person client meetings. We carry a message to clients and to prospects of an over four decade long record of investment management excellence complemented now with a wealth management perspective.



Dan Miller
Executive Vice President &
Portfolio Manager

joined GAMCO Investors in 2002. Mr. Miller received a BA from University of Miami

— GLOBAL PET ECONOMY —

The global pet economy has grown to nearly \$250 billion on the heels of pandemic-induced record adoptions and fostering, up double-digits in each of the last two years. Spending is expected to reach \$350 billion by 2027, driven by strong industry fundamentals that include an increased pet population, a trend towards healthier diets, innovative medical diagnostics and treatments, and new technologies enabling further humanization of our cats and dogs. Consolidation has long been an important component to investment returns in the pet economy, although publicly traded targets are now becoming scarce. Given the important role that pets have come to play in our emotional well-being, particularly in a work-from-home environment that appears increasingly likely to persist, we expect increased investment in diagnostics, mobile technology, and more convenient veterinary solutions. We launched the Gabelli Pet Parents Fund (PETZX) to invest in these global investment dynamics, and have structured a portfolio that balances pure-plays like Chewy and Trupanion with consumer, retail and technology firms that have recently invested in this fast growing and attractive industry.

— INSIGHTS FROM CO-CIOS VALUE —

THE “SIX I’S”

Red Light, Green Light: Investing in a Time of Infection & Inflation¹

Volatility returned late in 2021 as the Omicron variant emerged and markets anticipated the removal of fiscal and monetary support for the economy. Nevertheless, 2021 was a good year for stocks with corporate margins at record levels and the S&P 500 up 28.7%. A familiar group of tech-enabled mega-cap stocks again led the S&P, though Value was resuscitated, a trend that continues into 2022.

Pandemic Political Economics: The “Six I’s”

While we spend most of our time focused on individual stock selection, understanding the mosaic into which those companies fit has meant being part-time economist, political scientist, tax lawyer and epidemiologist. Below we summarize the key dynamics of the moment:

- **Inflation.** If you have purchased a used car and also fueled that vehicle you won’t be surprised that a ~7% increase in the consumer price index tops our list of salient items for the year. Years of money printing provided fertile ground for inflation to spring forth from simultaneous shocks to demand (pent-up consumer desire for goods) and supply (parts shortages, port snarls and labor market friction). How far those inflationary roots extend is a key question for 2022. If elevated inflation expectations take hold, it could set off a 1970s style wage-price spiral where the perception of higher future prices feeds the demand for higher wages that feed back into actual price increases.
- **Interest Rates.** In response to price levels above its 2% target, the Federal Reserve has quickened its taper of bond purchases and signaled multiple rate hikes in each of 2022 and 2023. Chairman Jerome Powell will need to run the gauntlet between dampening inflation, avoiding recession, supporting demand for \$29 trillion in government debt (every 1% increase in rate is \$290 billion more interest expense!) and pleasing the political class as well as the bond vigilantes.
- **Infrastructure.** While monetary policy is tightening, fiscal policy could add fuel to the inflationary fire. The pandemic was marked by federal commitments of \$4 trillion for direct payments, paycheck protection and the American Rescue Plan. Next up was the \$1 trillion bi-partisan Infrastructure Investment & Jobs Act meant to address long-standing deficiencies in the nation’s transportation, water and broadband infrastructure. Political infighting and economic reality dramatically reduces the scope of and chances for passing the \$2 trillion Build Back Better (BBB) bill. Other than government funding, we’re skeptical much legislation passes before the elections.
- **Income Taxes.** Higher taxes have been on the table since President Biden was elected in 2020. The slimmed down BBB was shorn of the most burdensome individual and corporate tax hikes. The deductibility of state and local taxes (SALT) remains contentious. Given the federal government’s spending commitments and the expiration of the Trump tax cuts in 2026, we think the direction of effective taxation is up with a modestly negative impact on growth, at least in the short term.
- **International (and Internal) Relations.** With an emboldened axis of Russia, China and Iran threatening Ukraine, Taiwan and Israel, respectively, the world remains dangerous, especially with access to oil, gas, wheat and semiconductors (the new oil) in play. Unfortunately, bigger threats may loom at home. COVID has enflamed long-simmering regional and socio-economic distrust and resentment, leaving the country deeply divided. Congressional mid-terms in 2022 look to follow the historical precedent of the party outside the White House making significant gains.
- **Infections.** Notwithstanding COVID’s centrality to so many of the “I’s” above, we deliberately listed it last. This is not to thumb our nose at this still-dangerous disease, but because we believe it’s impact on economic life will diminish through the year. Even if the bullish scenario that a highly contagious/relatively mild Omicron was a clearing event that immunizes the population in a faster, less-painful manner fails to materialize, consumers appear more willing to take it in stride. We were back in the office and even on the road visiting companies for most of 2021; “high touch” is how we like to conduct business and we look forward to spending more time in the field in 2022.

Conclusion

For us, 2021 was about getting back into our in-person routines; that is accelerating in 2022 as we think we are truly close to the end of this unwelcome pandemic. The circumstances have changed over the last year, but we now see more – not fewer – opportunities to continue to invest capital at attractive rates of return.



Christopher J. Marangi
Co-Chief Investment Officer
- Value Investments

Kevin V. Dreyer
Co-Chief Investment Officer
- Value Investments

joined GAMCO in 2003 as a research analyst and now is a Portfolio Manager and Co-Chief Investment Officer of Value Portfolios.

Mr. Marangi graduated magna cum laude & Phi Beta Kappa with a BA from Williams College and an MBA with honors from Columbia Business School.

joined GAMCO in 2005 as a research analyst and now is a Portfolio Manager and Co-Chief Investment Officer of Value Portfolios.

Mr. Dreyer received a BSE from the University of Pennsylvania and an MBA from Columbia Business School.

1. “Red Light, Green Light” refers to the children’s game recently made popular by Netflix’s hit drama Squid Game. Players must advance during green lights, while avoiding getting “eliminated” during sudden changes to red. We’ll avoid any show spoilers, but it has been an apt analogy for being a Value investor in recent years.



Howard F. Ward, CFA
Chief Investment Officer -
Growth Investments

joined GAMCO Investors, Inc. in 1995. In 2004 he assumed his current role as Managing Director of Growth Products. Mr. Ward graduated from Northwestern University with a BA in economics.



Christopher D. Ward, CFA
Associate Portfolio Manager -
GAMCO Growth Fund

joined GAMCO Investors, Inc. in 2015. He was named Associate Portfolio Manager in 2018. He is a graduate of Boston College with a Bachelor of Arts degree in economics.

— INSIGHTS FROM GLOBAL GROWTH TEAM —

The S&P 500 and Russell 1000 Growth Index closed the year up 28.7% and 27.6%, respectively, within spitting distance of their all-time highs. The index concentration in stocks like Apple, Microsoft and Alphabet levitated headline indices with muted volatility in 2021. COVID has accelerated digitization and morphed these technology platforms into daily utilities, if they weren't already. Underneath the veil of the cap-weighted S&P 500, attribution of market returns reveals narrower market breadth and more volatile market rotations throughout 2021. Cyclically sensitive beneficiaries of the reopening trade exchanged punches with secular growth stocks, which benefitted from an easy Fed and consequently very negative real interest rates (nominal interest rates minus inflation). Unprecedented levels of fiscal and monetary stimulus supported aggregate demand through COVID-related shutdowns and unemployment, but policymakers underestimated the extent to which demand would overwhelm

supply chain bottlenecks and drive the cost of goods and wages higher. While most economic crises are disinflationary, COVID supply shocks proved inflationary during a time of high unemployment. This unusual circumstance forced the Fed to prioritize employment at the cost of higher prices under the premise that most price increases were transitory.

Fed Chairman Powell retired the word “transitory” on November 30 and signaled the Fed’s intention to accelerate tapering. This catalyzed the overdue and deserved fourth quarter correction in long duration equities, those stocks being valued most on future growth expectations. At the risk of sounding disingenuous, we always welcome the price discovery process of the markets. Speculation, left unchecked, can result in unpredictable negative externalities across the economy. Furthermore, corrections give us a chance to reevaluate fundamentally sound businesses at more appealing valuations.

Growth stock skeptics believe today’s market environment combines the wage inflation spirals of the 1970s with stock valuations of the dotcom bubble of 2000. However, we believe comparisons to 1981 and 2001 will prove unfounded. Similarities to 2001 are mostly technical in nature. Tech’s composition of the S&P 500 stands at about 40% today, a level similar to 1999. Fundamentals, however, are far superior today. The tech sector today is defined by significantly more recurring revenue (software), which commands premium multiples. Tech valuations, while above historical averages, are not so outrageous when adjusting for revenue growth and interest rates. The average enterprise value to free cash flow multiple in 2000 was over 100-times with 10-year yields at 6%. Today, the sector trades at about 30-times free cash flow with 10-year yields at 1.6%.

Comparisons to the 1970s are also incomplete. Not only were levels of inflation substantially higher (1980 CPI of 14.5% versus about 7% today), monetary policy of the era was one of significant transformation. New policy tools were implemented in the 1960s, such as the Philips Curve, which attempted to measure the theoretical, but imprecise, trade-off between unemployment and inflation. Overconfidence in such tools resulted in an inappropriately stimulative Fed. In 1971, President Nixon abolished the gold standard, in order to maximize the government’s control over the money supply. Wage-price controls were implemented, but unsustainable. The closest comparison we can draw today to the almost experimental nature of 1970s Fed policy is the recent Fed pivot to “average inflation targeting” of 2%. This carries its own set of uncertainties, but it is hardly a complete overhaul of monetary policy.

Often disregarded in the annals of 1970s economic history is the impact of productivity. The years of the worst inflation (1973-1980) were also the years of worst productivity growth. Ultimately, companies can absorb higher wages as long as productivity growth serves as an offset to keep unit labor costs – the all-in cost of producing a widget – stable. The prospect for productivity growth today is bright, given the substantial investments in technology which accelerated during the pandemic. Demand for automation soared in 2021 in response to labor constraints, and 2022 capex intentions remain robust. Capex will drive productivity, jobs, and real GDP growth. CEO Satya Nadella articulated it best on Microsoft’s latest earnings call: “Digital technology is a deflationary force in an inflationary economy. Businesses – small and large – can improve productivity and the affordability of their products and services by building tech intensity.”

No doubt, inflation has exceeded expectations in both magnitude and duration. However, 2022 will introduce a new set of inflation headwinds. Four million people are yet to return to the labor force, but leading indicators for labor force growth, such as initial unemployment claims and job openings, suggest that labor force participation will improve. Demand for durable goods that were hoarded during the shutdown, such as furniture, PCs and TVs, are already showing signs of softness. And demand is softening just as more supply is coming online. Imports, domestic production, and inventories all suggest supply chain bottlenecks are gradually being resolved. Meanwhile, fiscal stimulus is being withdrawn. Finally, but perhaps most importantly, the increase in rates and inflation over the past two years are acting as a financial tightening mechanism.

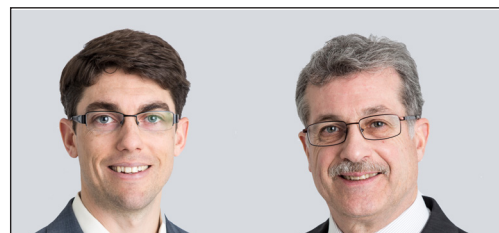
Counter to conventional wisdom, growth stocks have a mixed, rather than conclusively negative, historical correlation with the direction of interest rates. All else equal, discounted cash flow analysis is sensitive to the cost of capital. However, the risk-free rate is only one component of the cost of capital, and the cost of capital is only one component of a discounted cash flow analysis. Inputs such as risk premiums and economic conditions are constantly in flux. One conundrum we continue to grapple with is what to expect from growth stocks as they face two dueling forces in 2022: potentially higher rates, a headwind, and slowing economic growth, a tailwind. As a result, we are being very nuanced in our approach to portfolio construction in 2022 and are emphasizing idiosyncratic ideas that we believe can outperform in a volatile rate environment.

— CONVERTIBLES —

After stellar performance in prior years, 2021 proved to be a somewhat lackluster year for convertibles globally, but we have some positive takeaways and many reasons to be optimistic as we look forward.

Looking forward, we are optimistic for our market this year. First, 2021 was a bit of a reset. The market rejected some of the excessive terms and with growth valuations coming back down to earth, we are starting to see some attractive values amongst the carnage. While rising rates may force some growth valuations lower still, they set the table for more attractive issuance in the future. Rising rates have traditionally been good for the market, with convertibles moving higher each of the last 10 times we have seen a 100 bps increase in 10 year treasuries. Generally this should be true in 2022.

Our team has a long track record investing in convertibles and we remain focused on total returns for our shareholders through a mix of income and capital appreciation. We believe the asymmetrical return profile of convertibles makes them an attractive asset class in most market environments, particularly at a time when we are seeing increasing volatility and rising interest rates.



Dinsmore Capital Team

James Dinsmore, CFA, Thomas H. Dinsmore, CFA

James Dinsmore, CFA currently serves as portfolio manager of Gabelli Funds, LLC and manages several funds. Mr. Dinsmore received a B.A. in Economics from Cornell University and an M.B.A. from Rutgers University.

Thomas Dinsmore, CFA From 1996 to 2015 Mr. Dinsmore was Chairman and CEO of Dinsmore Capital Management; CEO and Portfolio Manager of Bancroft Fund; and CEO, Portfolio Manager and co-founder of Ellsworth Fund Ltd. He has a B.S. in Economics from Wharton, and an M.A. in Economics from Fairleigh Dickinson University.

— GABELLI U.S. MONEY MARKET FUND —

2021 seemed prepared to bring back a sense of normalcy following the blow of the coronavirus pandemic in 2020. As more became fully vaccinated, various aspects of social and economic life resumed, coupled with fiscal and monetary support, the economy continued on its path to recovery. Along with growth however, came a spike in inflation. To beat back rising prices the Federal Reserve made an abrupt hawkish shift in policy in the 4th quarter of the year, mounting an aggressive effort to unwind its pandemic era interventions and prepared the start of its tightening cycle.



Judith A. Raneri

Senior Portfolio Manager

joined GAMCO Investors in 1989 and has managed the Gabelli US Treasury Money Market Funds since its inception in 1992. Ms. Raneri graduated from Iona College with a BS degree in Finance



Ronald Eaker

Co-Portfolio Manager

joined GAMCO in 1987 as a portfolio manager. Mr. Eaker received a BS in Finance from The Pennsylvania State University

— VALUES-BASED CULTURE —

Richard Rose, Head of Human Resources and a member of GAMCO's leadership team oversees our D&I initiatives. Our firm, our executives and our Board of Directors support GAMCO's Diversity and Inclusion (D&I) efforts. We seek the inclusion of teammates with diverse ethnicity, backgrounds and experiences to build a values-based company culture promoting trust, transparency and a diversity of ideas.

One of Richard's first actions after joining GAMCO in 2016 was to develop the firm's D&I Policy and formalize our commitment to creating an empowered workforce based on our commitment to foster, to cultivate and to preserve a culture of diversity and inclusion. We have made progress in developing the diversity of our workforce. Today women and teammates with diverse ethnicity comprise 29% of our investment professional team and 39% of our firm.

We have enhanced internal programs to seek diverse candidates in our hiring across all job functions. As part of this initiative, we partner with local and national organizations to incorporate new insights into our practices and expand our outreach to a broader candidate pool. GAMCO also promotes numerous ways in which we can invest in the careers of our current teammates, permitting flexible work schedules and promoting individuals into new roles.



Richard Rose

Director of Human Resources

Joined GAMCO in 2016 Mr. Rose received a BA in Economics from Yale University.



2007
Stephen Bollenbach
Hilton Hotels Corp.



2007
Robert M. Haddock
AZTAR Corporation



2007
Floyd W. Pickrell
Sybron Dental



2006
Timothy C. Brown
Thomas Industries



2006
Paul J. Evanson
Allegheny Energy



2006
Mark G. Kachur
Cuno Incorporated



2006
Burton M. Tansky
Neiman Marcus Group



2005
Jean-Rene Fourtoux
Vivendi Universal



2005
Dan K. Wassong
Del Laboratories



2005
Robert Woodworth
Pulitzer Inc.



2005
John D. Zeglis
AT&T Wireless



2004
T. Kevin Dunnigan
Thomas & Betts



2004
Meyer Feldberg
Columbia University



2004
Charles W. Grigg
SPS Technologies, Inc.



2004
James S. Haines, Jr.
Westar Energy



2004
Lillian Vernon
Lillian Vernon Corp.



2003
John W. Madigan
Tribune Company



2003
Richard L. Bready
Nortek, Inc.



2003
Martin R. Benante
Curtiss-Wright Corp.



2003
W. Patrick McGinnis
Nestlé Purina PetCare



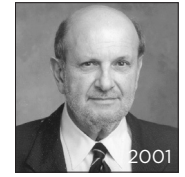
2002
Alan Abelson
Barron's



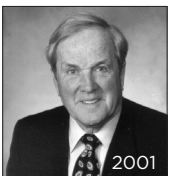
2002
John W. Stanton
VoiceStream Wireless



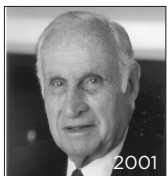
2002
Gerald M. Levin
AOL Time Warner



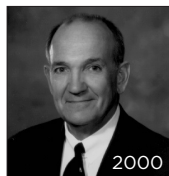
2001
Sal H. Alfiero
Mark IV Industries



2001
James Carroll
Wynn's International



2001
Edgar M. Cullman
General Cigar Holdings



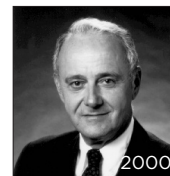
2000
Michael Bonsignore
Honeywell, Inc.



2000
J. Atwood Ives
Eastern Enterprises



2000
Charles R. Lee
Verizon Corporation



2000
Leonard Tow
Citizens Comm.



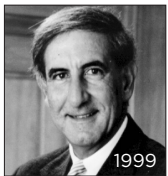
1999
Charles F. Dolan
Cablevision Systems



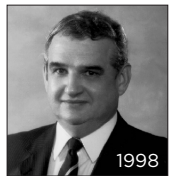
1999
Robert L. Johnson
BET Holdings, Inc.



1999
Jay B. Langner
Hudson General Corp.



1999
Daniel J. Miglio
So. NE Telephone



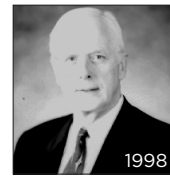
1998
Andrew Lozyniak
Dynamic Corporation



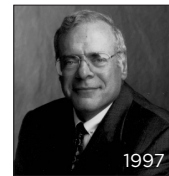
1998
John C. Malone
Tele-Communications



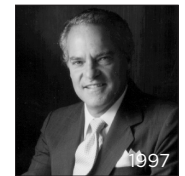
1998
Timothy B. Robertson
International Family



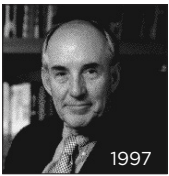
1998
Joseph P. Walker
CTS Corp.



1997
Harvey Golub
American Express Co.



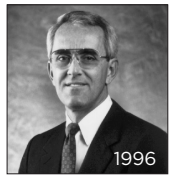
1997
Henry R. Kravis
KKR



1997
William P. Stirtz
Ralston Purina Co.



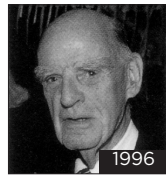
1996
Rand V. Araskog
ITT Corporation



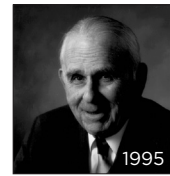
1996
Robert E. Hamby, Jr.
Multimedia, Inc.



1996
Thomas S. Murphy
Capital Cities/ABC



1996
Roger F. Murray
Columbia University



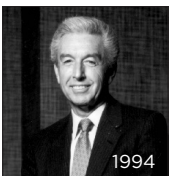
1995
Neison Harris
Pittway Corp.



1995
Barron Hilton
Hilton Hotels Corp.



1995
Miles L. Marsh
Pet Inc.



1994
Philip Wm. Colburn
Allen Telecom Inc.



1994
Martin S. Davis
Paramount Comm.



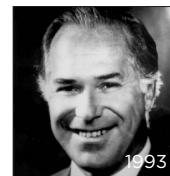
1994
William O. Taylor
Affiliated Pub.



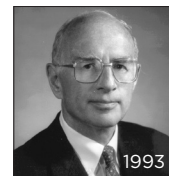
1993
LeRoy T. Carlson
Telephone & Data Sys



1993
LeRoy T. Carlson, Jr.
Telephone & Data Sys



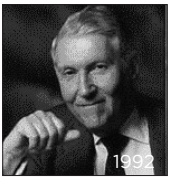
1993
Frederick Mancheski
Echlin Inc.



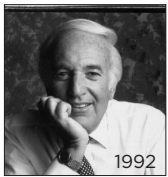
1993
Richard A. Smith
Harcourt General



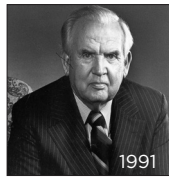
1992
John P. Frazee, Jr.
Centel Corp.



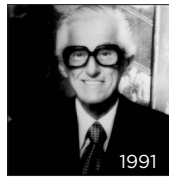
1992
Sumner M. Redstone
Viacom International



1992
Steven J. Ross
Time Warner Inc.



1991
O.Wayne Rollins
Rollins, Inc.



1991
Lew R. Wasserman
MCA, Inc.



1991
Charles Wohlstetter
Contel Corp.



1990
Richard B. Black
Maremont Corp.



1990
Herbert J. Siegel
Chris-Craft Industries



1990
Donald A. Pels
LIN Broadcasting

In 1990, we established the GAMCO Management Hall of Fame to honor corporate executives for their outstanding contributions in enhancing shareholder value. The selection process starts with our research on the company.

Each Honoree has passed rigorous criteria including:

- creating shareholder wealth
- earning a superior rate of return over the long term
- practicing the virtues of capital accumulation
- enhancing our clients' and shareholders' investment success

In light of the harsh treatment accorded CEO's created by issues with Enron, WorldCom, and Adelphia and the challenges to the "American" concept of CEO, we thought it appropriate and timely to thank the system of corporate governance that has made America and our form of capitalism so dynamic and successful. It is also appropriate to share with you our Hall of Fame Honorees.

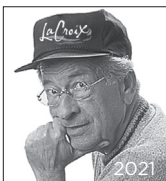
2022



Michael J. Jackson
AutoNation, Inc.



Patrick J. McHale
Graco Inc



Nick A. Caporella
National Beverage



Troy A. Clarke
Navistar International



Patricia K. Vincent-Collawn, PNM



Eileen P. Drake,
Aerojet Rocketdyne



John J. Legere
T-Mobile US



Samuel R. Allen
Deere & Company



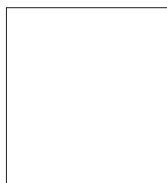
Gregory L. Henslee
O'Reilly Automotive



Mary E. Kipp
El Paso Electric



Donald W. Slager
Republic Services



Jay Hooley
State Street Bank



Amin Khoury
KLX Inc.



Denise Ramos
ITT Corporation



Cristina Stenbeck
Kinnevik AB



Sergio Marchionne
CNH Industrial NV



Larry Young
Dr. Pepper Snapple Group



Ken Lowe
Scripps Network Interactive



Meg Whitman
Hewlett-Packard Enterprise



Edward D. Breen
Tyco International plc



Christopher L. Conway
CLARCOR Inc.



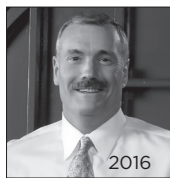
David M. Cote
Honeywell Int'l



Kimberly S. Lubel
CST Brands, Inc.



James L. Dolan
Cablevision Systems



Mark Donegan
Precision Cast Parts



Thomas C. Gallagher
Genuine Parts Co.



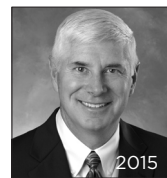
Sohyung Kim
Media General



James F. Cleary, Jr.
MWI Veterinary Supply



Ward M. Klein
Energizer Holdings, Inc.



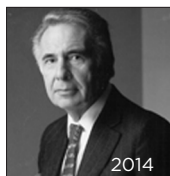
David M. Melcher
Exelis, Inc.



Michael D. White
DIRECTV



Colleen B. Brown
Fisher Comm.



Carl C. Icahn
Icahn Enterprises



Matthew J. Shattock
Beam Inc.



Tarang P. Amin
Schiff Nutrition Int'l



César M. García
IRIS International, Inc.



Kirk S. Hachigian
Cooper Industries



Kevin J. Hunt
Ralcorp Holdings Inc.



Eric Weider
Schiff Nutrition Int'l



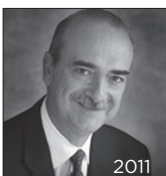
Bruce A. Carbonari
Fortune Brands Inc.



Steven R. Loranger
ITT Corporation



Dominic J. Pileggi
Thomas & Betts Corp.



V. James Marino
Alberto Culver Co.



John A. McFarland
Baldor Elec. Co.



Ronald E. Weinberg
Hawk Corporation



Robert B. Allen
Broadview Security



Roger M. Carr
Cadbury plc.



James V. Mazzo
Abbott Medical



Robert C. Pohlad
Pepsi Americas Inc.



Joseph P. Hayden, III
Midland Company



Murray S. Kessler
UST Inc.



C.S. "Dean" Liollo
EnergySouth, Inc.



Dean J. Mitchell
Alpha Pharma Inc.



Craig A. Rogerson
Hercules Inc.



Lewis M. Kling
Flowserve Corp.

ASSETS UNDER MANAGEMENT

(\$ in millions)

	2021	2020	2019	2018	2017	IPO 1999
Equity:						
Mutual Funds	\$18,905	\$17,314	\$18,486	\$17,548	\$21,800	\$10,075
Institutional and High Net Worth	13,497	12,371	14,565	14,078	18,852	9,370
SICAV	831	474	594	507	510	-
Total Equity	33,233	30,159	33,645	32,133	41,162	19,445
Fixed Income:						
Mutual Funds	1,717	2,370	2,810	2,195	1,870	1,175
Institutional and High Net Worth	32	32	20	26	31	694
Total Fixed Income	1,749	2,402	2,830	2,221	1,901	1,869
Total Assets Under Management	\$34,982	\$32,561	\$36,475	\$34,354	\$43,063	\$21,314
Assets Under Management:						
Mutual Funds	\$20,622	\$19,684	\$21,296	\$19,743	\$23,670	\$11,250
Institutional and High Net Worth	13,529	12,403	14,585	14,104	18,883	10,064
SICAV	831	474	594	507	510	-
Total Assets Under Management	\$34,982	\$32,561	\$36,475	\$34,354	\$43,063	\$21,314

— REPORT OF THE FINANCE TEAM —



Kieran Caterina
Senior Vice President
Chief Accounting Officer

Howard M. Green, CPA
Senior Vice President
Corporate Development

Maximilian Caldwell, CPA
Vice President

joined GAMCO in 1998 and has been the SVP and Co-Chief Accounting Officer since 2012.

Mr. Caterina received a BS in Accounting from The State University of New York at Oswego and an MS in Accounting from Binghamton University.

joined GAMCO in 2019 as Senior Vice President, Corporate Development.

Mr. Green received a BS in Accounting from The State University of New York at Albany.

joined GAMCO in 2019 as Vice President - Finance.

Mr. Caldwell received a BS in Accounting and an MBA in Finance from The Gabelli School of Business, Fordham University.

AUM closed the year at \$35.0 billion, up 7% from the \$32.6 billion at the prior year end.

(Y)our company is positioned for future growth based on our balance sheet, comprised of cash, cash equivalents, and U.S. Treasury Bills of \$142 million, equity investments of \$32 million, and debt of \$51 million.

Looking ahead, GAMCO's cash generation from operations provides us the ability to seed new investment strategies and product offerings (including our actively managed semi-transparent ETFs), pursue additions to our team, strategic acquisitions and alliances, and accretive tuck-ins and lift-outs.

FINANCIAL DATA

(In thousands, except per share data)

	2021				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Full Year
Income Statement Data:					
Revenues	\$67,928	\$75,624	\$75,907	\$81,667	\$301,126
Expenses	42,957	47,740	35,231	52,226	178,154
Operating income before management fee	24,971	27,884	40,676	29,441	122,972
Investment income/(loss)	865	3,088	(1,218)	(13,195)	(10,460)
Interest expense	(662)	(625)	(814)	(818)	(2,919)
Other income/(expense), net	203	2,463	(2,032)	(14,013)	(13,379)
Income before management fees and income taxes	25,174	30,347	38,644	15,428	109,593
Management fee	2,517	3,035	-	-	5,552
Income before income taxes	22,657	27,312	38,644	15,428	104,041
Income tax provision	6,707	10,211	9,483	4,441	30,842
Net Income attributable to GAMCO	\$15,950	\$17,101	\$29,161	\$10,987	\$73,199
Net Income per share:					
Basic	\$0.60	\$0.65	\$1.11	\$0.42	\$2.79
Diluted	\$0.60	\$0.64	\$1.09	\$0.41	\$2.73
Total shares outstanding: As on December 31					<u>26,728</u>

	2020				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Full Year
Income Statement Data:					
Revenues	\$69,567	\$57,559	\$61,252	\$71,348	\$259,726
Expenses	42,582	36,736	29,410	46,013	154,741
Operating income before management fee	26,985	20,823	31,842	25,335	104,985
Investment income/(loss)	(9,693)	424	(8,528)	4,492	(13,305)
Interest expense	(647)	(647)	(691)	(635)	(2,620)
Other income/(expense), net	(10,340)	(223)	(9,219)	3,857	(15,925)
Income before management fees and income taxes	16,645	20,600	22,623	29,192	89,060
Management fee	1,665	2,060	-	1,651	5,376
Income before income taxes	14,980	18,540	22,623	27,541	83,684
Income tax provision	3,735	7,250	6,188	7,818	24,991
Net Income attributable to GAMCO	\$11,245	\$11,290	\$16,435	\$19,723	\$58,693
Net Income per share:					
Basic	\$0.42	\$0.42	\$0.62	\$0.75	\$2.21
Diluted	\$0.42	\$0.42	\$0.62	\$0.74	\$2.20
Total shares outstanding: As on December 31					<u>27,503</u>

See Notes on Non-GAAP Financial Measures on page 16

CONDENSED CONSOLIDATED BALANCE SHEET

(in thousands)

	2021	2020
ASSETS		
Investments (including cash and cash equivalents)	174,371	124,158
Receivables	45,054	48,973
Other assets	12,247	12,271
Total assets	\$231,672	\$185,402
LIABILITIES AND EQUITY		
Compensation payable	21,049	21,543
Income tax payable	315	3,910
Accrued expenses and other liabilities	65,438	48,823
Sub-total	86,802	74,276
Senior notes (due June 1, 2021)	-	24,215
Subordinated notes (due June 15, 2023)	50,990	-
Total liabilities	137,792	98,491
Total equity	93,880	86,911
Total liabilities and equity	\$231,672	\$185,402

Information derived from audited financial statements on Form 10-K.

Notes on Non-GAAP Financial Measures

Operating income before management fee expense is used by management for purposes of evaluating its business operations. We believe this measure is useful in illustrating the operating results of the Company as management fee expense is based on pre-tax income and includes non-operating items including investment gains and losses from the Company's proprietary investment portfolio and interest expense.

Reconciliation of Non-GAAP Financial Measures to GAAP:

	2021					2020				
	1st QTR	2nd QTR	3rd QTR	4th QTR	Total	1st QTR	2nd QTR	3rd QTR	4th QTR	Total
Operating Income	\$22,454	\$24,849	\$40,676	\$29,441	\$117,420	\$25,320	\$18,763	\$31,842	\$23,684	\$99,609
Add: Management fee	2,517	3,035	-	-	5,552	1,665	2,060	-	1,651	5,376
Operating Income before management fee	\$24,971	\$27,884	\$40,676	\$29,441	\$122,972	\$26,985	\$20,823	\$31,842	\$25,335	\$104,985

SPECIAL NOTE REGARDING FORWARD-LOOKING INFORMATION

Our disclosure and analysis in this Annual Report contains some forward-looking statements. Forward-looking statements give our current expectations or forecasts of future events. You can identify these statements because they do not relate strictly to historical or current facts. They use words such as "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "will," "should," "may," and other words and terms of similar meaning. They also appear in any discussion of future operating or financial performance. In particular, these include statements relating to future actions, future performance of our products, expenses, the outcome of any legal proceedings, and financial results. Although we believe that we are basing our expectations and beliefs on reasonable assumptions within the bounds of what we currently know about our business and operations, there can be no assurance that our actual results will not differ materially from what we expect or believe. Some of the factors that may cause our actual results to differ from our expectations include risks associated with the duration and scope of the ongoing coronavirus pandemic resulting in volatile market conditions, a decline in the securities markets that adversely affect our assets under management, negative performance of our products, the failure to perform as required under our investment management agreements, a general downturn in the economy that negatively impacts our operations, and the ongoing impacts of the Tax Cuts and Jobs Act with respect to tax rates and the non-deductibility of certain portions of named executive officer compensation. We are providing these statements as permitted by the Private Litigation Reform Act of 1995. We also direct your attention to any more specific discussions of risk contained in our Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and other public filings. We do not undertake to update publicly any forward-looking statements if we subsequently learn that we are unlikely to achieve our expectations or if we receive any additional information relating to the subject matters of our forward-looking statements.



(Y)OUR TEAMMATES
HAVE DEGREES FROM 160+ COLLEGES
FROM AROUND THE GLOBE

WISDOM. PERFORMANCE. BRIGHT FUTURE. TRUST.

A full-range of solutions that meet the long-term investment objectives of our clients.

VALUE

GROWTH

CONVERTIBLES

SPECIALTY

— MUTUAL FUNDS —

OPEN-END FUNDS

Value

Gabelli Asset Fund
Gabelli Small Cap Growth Fund
Gabelli Equity Income Fund
Gabelli Value 25 Fund
Gabelli Global Rising Income & Dividend Fund
Gabelli Focused Growth and Income Fund
Gabelli Dividend Growth Fund
Gabelli Global Mini Mites Fund
Comstock Capital Value Fund

Growth

Gabelli Growth Fund
Gabelli Global Growth Fund
Gabelli International Growth Fund
Gabelli International Small Cap Fund

Specialty

Gabelli Utilities Fund
Gabelli Gold Fund
Gabelli Global Content & Connectivity Fund
Gabelli ESG Fund
Gabelli Global Financial Services Fund
Gabelli Pet Parents' Fund
Gabelli Media Mogul Fund

Money Market

Gabelli U.S. Treasury Money Market Fund

Merger Arbitrage

Gabelli ABC Fund
Gabelli Enterprise Mergers & Acquisitions Fund

ACTIVELY MANAGED SEMI-TRANSPARENT ETFs

Growth

Growth Innovators

Specialty

Love Our Planet & People
Gabelli Automation ETF

CLOSED-END FUNDS

Value

Gabelli Dividend & Income Trust
Gabelli Equity Trust
Gabelli Global Small & Mid Cap Trust

Convertibles

Ellsworth Growth & Income Fund Ltd.
Bancroft Fund Ltd.
Gabelli Convertible & Income Securities Fund

Specialty

GAMCO Global Gold, Natural Resources
& Income Trust
Gabelli Utility Trust
Gabelli Healthcare & Wellness^{RX} Trust
Gabelli Multimedia Trust
Gabelli Global Utility & Income Trust
GAMCO Natural Resources, Gold & Income Trust

Merger Arbitrage

GDL Fund

U.K. Funds

Gabelli Merger Plus+ Trust Plc

— INSTITUTIONAL & PRIVATE — WEALTH MANAGEMENT

Customized solutions to meet client-specific investment guidelines.

Board of Directors

Edwin L. Artzt

Former Chairman and Chief Executive Officer
Procter & Gamble Company

Raymond C. Avansino, Jr.

Chairman
E.L. Wiegand Foundation

Leslie B. Daniels

Founding Partner of CAI Managers & Co., L.P.

Mario J. Gabelli, CFA

Chairman and Chief Executive Officer
GAMCO Investors, Inc.

Douglas R. Jamieson

President and Chief Operating Officer
GAMCO Asset Management Inc.

Eugene R. McGrath

Former Chairman and Chief Executive Officer
Consolidated Edison Company of NY

Robert S. Prather, Jr.

President and Chief Executive Officer
Heartland Media, LLC.

Elisa M. Wilson

President
Gabelli Foundation, Inc.

Officers

Mario J. Gabelli, CFA

Chairman and
Chief Executive Officer
55 years of Industry Experience
45 Years with GAMCO

Douglas R. Jamieson

President and Chief Operating Officer
GAMCO Asset Management Inc.
41 years of Industry Experience
41 Years with GAMCO

Henry G. Van der Eb, CFA

Senior Vice President
52 years of Industry Experience
23 Years with GAMCO

Bruce N. Alpert, CPA

Executive Vice President
Gabelli Funds, LLC
47 years of Industry Experience
34 Years with GAMCO

Peter Goldstein

Senior Vice President
General Counsel
29 years of Industry Experience
13 Years with GAMCO

Kieran Caterina

Senior Vice President and Chief Accounting Officer
24 years of Industry Experience
24 Years with GAMCO

Howard M. Green, CPA

Senior Vice President
Corporate Development
32 years of Industry Experience
3 Years with GAMCO

John Ball

Senior Vice President
Treasurer, Gabelli Funds
21 years of Industry Experience
5 Years with GAMCO

Corporate and Shareholder Information

Investor Relations

For our 10-K and other shareholder information, as well as information on our products and services, visit our website at www.gabelli.com or write to:
One Corporate Center
Rye, New York 10580-1422
203-629-2726
email: investor@gabelli.com

Transfer Agent

Computershare
250 Royall Street
Canton, MA 02021
(781) 575-2000

Trading Information

New York Stock Exchange
Class A Common Stock
Symbol - GBL

Website

www.gabelli.com

Investment Services Information

Mutual Funds
Contact: Jason Swirbul
914-921-5475
email: JSwirbul@gabelli.com

Institutional Accounts
Contact: Theresa L. Pope
914-921-5082
email: Tpope@gabelli.com

Private Wealth Management
Contact: Paul M. Swirbul
914-921-5084
email: PSwirbul@gabelli.com

Annual Meeting

Our 2022 Annual Meeting of Shareholders will be held virtually at 9:30 am on June 2, 2022.

ESG
Contact: Christopher Desmarais
914-921-5237
email: CDesmarais@gabelli.com

Cash Management
Contact: Judith A. Raneri
914-921-5417
email: JRaneri@gabelli.com

Convertibles
Contact: Thomas H. Dinsmore, CFA
914-921-8386
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