Teton Advisors

TETON WESTWOOD FUNDS

Mighty Mites[SM] Fund

SmallCap Equity Fund

Mid-Cap Equity Fund

Convertible Securities Fund

Equity Fund

Balanced Fund

Intermediate Bond Fund

Commentary
September 30, 2017

TETON Westwood Mighty Mites℠ Fund

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To Our Shareholders,

For the quarter ended September 30, 2017, The TETON Westwood Mighty Mites Fund's net asset value ("NAV") per Class AAA share appreciated 7.9% versus a gain of 5.7% for the Russell 2000 Index and a gain of 6.4% for the Dow Jones U.S. Micro-Cap Total Stock Market Index. Year to date, the Fund appreciated 13.7% versus gains of 10.9% and 12.6% for the respective indices.

Commentary

September was a strong month for small and micro-cap stocks, reflecting a strengthening domestic economy, along with corporate earnings and expectations for U.S. tax reform, which would disproportionately benefit our smaller companies. There are multiple reasons why small cap stocks are well positioned for the upcoming quarters: The U.S. economy is in its ninth year of expansion, and despite some pending hurricane noise, we expect this growth trend to continue. In the second quarter, real U.S. GDP growth was 3.1%. The September Purchasing Managers Index (PMI), a gauge of manufacturing activity and leading indicator for the U.S. economy, registered its strongest reading since 2004 at 60.8. This positive momentum should manifest itself in corporate earnings, the most important driver of long term stock market returns.

While the most recent headline from the Bureau of Labor report indicated that total employment declined, this number was distorted by the impact of the hurricanes in Texas and Florida. In spite of this aberration, the underlying unemployment rate is 4.2%, the lowest since 2001. There are also signs of more people entering the workforce, as the participation rate remains slightly ahead of last year and wage growth has started to gradually accelerate. These are indicators of a stronger consumer able to purchase more goods and services, a

Average Annual Returns Through September 30, 2017 (a)

	Quarter	Year-to-Date	1 Year	3 Year	5 Year	10 Year	15 Year	Since Inception (5/11/98)
Mighty Mites℠ Fund Class AAA (WEMMX)	7.92%	13.72%	24.42%	11.71%	14.18%	9.33%	11.89%	11.81%
Dow Jones U.S. Micro-Cap Total Stock Market Index	6.36	12.59	21.78	9.39	12.19	6.45	11.54	N/A
Russell 2000 Index	5.67	10.94	20.74	12.18	13.79	7.85	11.37	7.47
Lipper Small Cap Value Fund Average	5.18	6.01	19.78	9.83	12.63	7.22	11.12	8.42(b)

In the current prospectuses dated January 27, 2017, as amended July 5, 2017, the expense ratio for Class AAA Shares is 1.42%. Class AAA Shares do not have a sales charge.

(a) *Returns represent past performance and do not guarantee future results. Total returns and average annual returns reflect changes in share price, reinvestment of distributions, and are net of expenses. Investment returns and the principal value of an investment will fluctuate. When shares are redeemed, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Visit www.tetonadv.com for performance information as of the most recent month end. Teton Advisors, Inc., the Adviser, reimbursed expenses through September 30, 2005, to limit the expense ratios. Had such limitations not been in place, returns would have been lower. The Fund imposes a 2% redemption fee on shares sold or exchanged within seven days of purchase. Performance returns for periods of less than one year are not annualized. Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectuses contain information about these and other matters and should be read carefully before investing. To obtain a prospectus, please visit our website at www.tetonadv.com.* Other share classes are available and have different performance characteristics. See page 23 for performance of other classes of shares. The Dow Jones U.S. Micro-Cap Total Stock Market Index is designed to provide a comprehensive measure of the micro-cap segment of the U.S. stock market. The Russell 2000 Index is an unmanaged indicator which measures the performance of the small cap segment of the U.S. equity market. The Lipper Small Cap Value Fund Average reflects the average performance of mutual funds classified in this particular category. Investing in small capitalization securities involves special challenges because these securities may trade less frequently and experience more abrupt price movements than large capitalization securities. Dividends are considered reinvested. You cannot invest directly in an index.

(b) Lipper Small Cap Value Fund Average since inception performance is as of April 30, 1998.

positive for stocks. Against this backdrop, the U.S. Federal Reserve has raised interest rates three times already this year, and is signaling another quarter point increase by year end. Global central banks are reducing accommodative monetary policies, indicative of healthy economies. Broadly considered, the global economy continues to demonstrate the first synchronized economic expansion in many years, supported by stabilized commodity prices and steadily climbing industrial output. Serving to underscore a 3% growth target for the U.S. economy is the unveiling of President Trump's "MAGAnomics" plan (Make-America-Great-Again economics), with tax reform seen as the most concrete policy goal for the calendar year. Capping the quarter, September's reading for the ISM manufacturing index topped a 13 year high, with the rise in the new orders index being consistent with strong corporate earnings and capital spending.

There is considerable debate concerning reduction of the corporate tax rate from 35% to 20%. We believe this would be a major advantage for smaller companies, which generally pay a higher rate than larger, multinational companies (nearly 400 basis points higher, according to Thomson Reuters data) because their operations and markets tend to be U.S.-centric. We believe many corporations, large and small, may redeploy tax savings into mergers and acquisitions (M&A), another potential driver to performance, given that our portfolio has historically benefited from this trend. The M&A wave is already strong, and our companies are bite-sized acquisition candidates for larger companies flush with cash seeking to augment organic growth. The Mighty Mites Fund had six announced takeovers in the third quarter and 14 year to date.

We remain optimistic that our portfolio is positioned for attractive risk-adjusted returns across a complete market cycle, and that active management remains the best situated vehicle to capitalize upon market dislocations. Our approach of identifying mismatched expectations and corresponding catalysts to rectify intrinsic value discounts has served investors well and we continue to refine and employ this strategy.

Let's Talk Stocks

Aerojet Rocketdyne Holdings Inc. (AJRD – $35.01 – NYSE) (2.9% of total net assets as of September 30, 2017), based in El Segundo, California, is a leading technology-based manufacturer of solid and liquid propulsion systems for both spacecraft and armaments, with a client base that includes U.S. government agencies, such as the Department of Defense and NASA. Aerojet Rocketdyne is a key beneficiary of the new administration's ambition to significantly boost U.S. defense spending. We highlight recent consolidation in defense, such as Northrop Grumman's acquisition of Orbital ATK and United Technologies Corp.'s acquisition of Rockwell Collins Inc. The company also possesses unrealized value in its sizeable real estate holdings east of Sacramento, California. In an effort to optimize this asset value, the company is in the process of re-entitling the land for residential or other commercial usage.

Nathan's Famous Inc. (NATH – $73.95 – NASDAQ) (1.2%) based in Jericho, New York is a franchisor and operator of restaurants under the Nathan's and Arthur Treacher's brands, as well as a licensor of its brands for retail food products. In fiscal 2017, the company generated nearly $97 million of revenue from its company-owned restaurants, franchisee fees and royalties from restaurants, branded menus, and license royalties from food products sold at retail. On December 11, 2012, Nathan's entered a definitive and binding letter agreement with John Morrell (JMC), a subsidiary of Smithfield Foods, essentially making JMC the exclusive supplier, distributor, and marketer of Nathan's branded hot dog, sausage, and corned beef products to retailers starting March 2014. The contract includes more favorable terms for Nathan's, including an increase to the royalty received on net sales, from 3%-5% under the previous contract, to 10.8% ($10 million minimum) which increased profits, but also has further potential as JMC begins to enter product adjacencies using the Nathan's brand. We would expect earnings to improve significantly next fiscal year as the company takes advantage of the opportunity to repay and/or refinance a portion of its 10% senior notes due 2020.

Las Vegas-based *Golden Entertainment Inc. (GDEN – $24.38 – NASDAQ) (0.9%)* is the result of the merger of publicly-traded casino operator Lakes Entertainment (formerly LACO) and Golden Gaming, a private gaming company. In its Distributed Gaming segment, the company operates approximately 7,700 gaming machines in 690 retail stores, restaurants, bars and gas stations throughout Nevada. Approximately 760 of the segment's gaming machines are located within 48 owned and operated taverns. Golden also owns and operates three casinos in Pahrump, Nevada, and Rocky Gap Casino in Flintstone, Maryland, through its Casino segment. In June, Golden announced the acquisition of American Casino & Entertainment for $850 million. With this transformative acquisition, Golden further increases its exposure to the attractive local gaming markets of southern Nevada.

STRATTEC Security Corp. (STRT – $40.90 – NASDAQ) (0.5%) headquartered in Milwaukee, Wisconsin, is a leading provider of automotive mechanical and electronically enhanced locks and keys, as well as other door and lift gate systems for vehicles. The company also has a unique technology sharing agreement, that allows it to provide global solutions for vehicle access beyond its core North American market. We expect the company to benefit from a continued shift in consumer demand towards crossovers and SUVs and away from sedans; this shift is likely to result in increased content per vehicle for the company.

Myers Industries Inc. (MYE – $20.95 – NYSE) (1.0%) is an Akron, Ohio-based multi-industry manufacturer and distributor of a variety of consumable products. The company's leading portfolio of branded products is in two segments, Material Handling and Distribution. After a series of acquisitions and divestitures over the past several years, Myers should thrive, as new CEO David Banyard sets a new strategy to increase market share and optimize operations in both segments. Ultimately, we see a potential separation of the two businesses as a way to surface value for investors.

Las Vegas-based *Full House Resorts Inc. (FLL – $2.79 – NASDAQ) (0.1%)* is the operator of five casino facilities in Mississippi, Indiana, Nevada, and Colorado. Since taking over management of the company in November of 2014, CEO Dan Lee and his team have embarked on multiple value-creating initiatives that have grown the business, reduced costs, and enhanced the financial profile of the business. These initiatives include: the May 2016 acquisition of Bronco Billy's Casino located in Cripple Creek, Colorado; the November 2016 rights offering that gives the company more flexibility with creditors; the construction of a hotel at the company's Silver Slipper property and multiple other capital improvement initiatives.

RLJ Entertainment Inc. (RLJE – $3.54 – NASDAQ) (0.1%) is a premium digital channel company, with a portfolio that includes Acorn TV, which offers original British TV shows, and UMC (Urban Movie Channel), which targets the African American and urban market. Decreasing revenue from a slowing DVD distribution business is masking strong revenue growth in the younger digital business, which has grown subscribers 60% in the last year to 600,000. The company's goal is to reach one million digital subscribers in the next 18 months. A key driver of this is Acorn TV's 64% ownership in Agatha Christie Limited, which is revitalizing the Agatha Christie brand through the November release of a new Murder on Orient Express movie on Fox.

IXYS Corp. (IXYS – $23.70 – NASDAQ) (0.2%) develops power semiconductors, solid state relays, high voltage integrated circuits, and micro controllers. On August 28, 2017 IXYS agreed to be acquired by Littelfuse Inc. in a combined cash and stock transaction. Littelfuse supplies circuit protection products for the electronics, automotive and industrial markets. This is a synergistic combination for Littelfuse, which will gain new technology, products, and end markets, such as renewable energy and electronic vehicles.

Conclusion

We believe the portfolio is well-positioned to deliver excellent risk adjusted returns over a complete market cycle. We appreciate your confidence and trust.

October 12, 2017

Top Ten Holdings (Percent of Net Assets)
September 30, 2017

Aerojet Rocketdyne Holdings Inc.	2.9%	Astec Industries Inc.	1.3%
Ferro Corp.	1.9%	Nathan's Famous Inc.	1.2%
Shenandoah Telecommunications Co.	1.3%	Federal Signal Corp.	1.1%
Flushing Financial Corp.	1.3%	Cutera Inc.	1.0%
The E.W. Scripps Co.	1.3%	Marine Products Corp.	1.0%

TETON Westwood SmallCap Equity Fund

To Our Shareholders,

For the quarter ended September 30, 2017, The TETON Westwood SmallCap Equity Fund's net asset value ("NAV") per Class AAA share appreciated 8.0% versus a gain of 5.7% for the Russell 2000 Index and a gain of 5.1% for the Russell 2000 Value Index. Year to date, the Fund appreciated 11.0% versus gains of 10.9% and 5.7% for the respective indices.

Commentary

While the quarter began on a fretful note, it closed demonstratively positive, and the portfolio marked solid outperformance for shareholders in the period. Comments from global central banks dominated headlines in July, indicating a departure from an extended period of easy money. Whether it was the Federal Reserve looking to initiate a runoff of its balance sheet, the Bank of England hinting at rate increases, or the European Central Bank suggesting it was nearing the end of its bond buying, investors grappled uneasily with the scenario of moving past "peak" quantitative easing. As if to telegraph proper expectations, throughout the quarter the Fed regularly conveyed its intent for "measured" rate increases, tempered according to future data or persistent low inflation. Altogether, we do not see this scenario as destabilizing, but rather indicative of a healthy economy.

Broadly considered, the global economy continues to demonstrate the first synchronized economic expansion in many years, supported by stabilized commodity prices and steadily climbing industrial output. Much the same is reflected domestically, yet with added drivers. Lackluster winter activity was shaken off as the U.S. economic expansion gathered pace. Posting the strongest results in two years, second quarter GDP grew at an annualized rate of 3.1%, propelled by consumer spending. Serving to underscore a central 3% growth target, this overlapped with the unveiling of President Trump's "MAGAnomics" plan, (Make-America-Great-Again economics), with tax reform seen as the most concrete policy goal for the calendar year. However, mirroring the narrative of unpredictable bouts of political chaos in Washington, a string of destructive hurricanes threatened near-term economic hopes, inflicting devastation upon the Caribbean, Houston, and Florida.

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Yet, 2017 has regularly demonstrated a characteristic of "resilience," and the quarter closed with events that drove the markets higher. Quite unexpected by Republican leadership, President Trump cut a deal with Democrats to extend the debt ceiling, avoiding disruption and signaling a willingness to ensure government action does not derail economic expansion. Capping the quarter, September's reading for the ISM manufacturing index topped a 13 year high, with the rise in the new orders index being consistent with strong corporate earnings and capital spending. These events sketched the picture of a

Average Annual Returns Through September 30, 2017 (a)

	Quarter	Year-to-Date	1 Year	3 Year	5 Year	10 Year	15 Year	Since Inception (4/15/97)
SmallCap Equity Fund Class AAA (WESCX)	7.98%	11.01%	23.10%	13.31%	14.27%	7.42%	9.94%	8.05%
Russell 2000 Index	5.67	10.94	20.74	12.18	13.79	7.85	11.37	8.91
Russell 2000 Value Index	5.11	5.68	20.55	12.12	13.27	7.14	10.86	9.79

In the current prospectuses dated January 27, 2017, as amended July 5, 2017, the gross expense ratio for Class AAA Shares is 1.79%, and the net expense ratio is 1.25% after contractual reimbursements by Teton Advisors, Inc. (the "Adviser") in place through January 31, 2017. Class AAA Shares do not have a sales charge.

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resilient economy in the face of hurricane disruption, spurring the markets steadily higher.

In the third quarter, the portfolio marked strong relative outperformance with about two-thirds of the outperformance driven by our technology holdings. Fundamentals for our semiconductor-based names have supported our long-standing thesis that such businesses were maturing into the "new industrials," having shed the violent cyclical nature more associated with the dot-com era. Inventories within the space have been well managed, supply growth (particularly within memory) has been managed so as to keep balances tight, and end markets have broadly expanded to new use-cases, from solid state drives to cloud computing, and even industrial and automotive. On the margin, we have trimmed those technology holdings that we consider fully valued, having first acquired these best-of-breed companies at attractive multiples when they fell out of favor. Alternatively, our energy holdings were our primary relative detractor, as oil remained range bound early in the quarter and stocks of Permian-basin producers were impacted by quarterly production results misinterpreted to suggest that shale wells in the region were declining in quality. As we exited the quarter, we saw a changed tenor among the energy sector and commodity prices, as the International Energy Agency (IEA) raised its forecast for growth due to an improved demand outlook, and U.S. producers proclaim a newfound focus on driving responsible cash flows; our energy holdings rallied in concert. Lastly, we continue to maintain our positive view towards our regional bank holdings in anticipation of continued Fed-driven net interest margin (NIM) expansion and earnings sensitivity to potential corporate tax rate reductions.

We remain optimistic that our portfolio is positioned for attractive risk-adjusted returns across a complete market cycle, and that active management remains the best situated vehicle to capitalize upon market dislocations. Our approach of identifying mismatched expectations and corresponding catalysts to rectify intrinsic value discounts has served investors well and we continue to refine and employ this strategy.

Let's Talk Stocks

Among the best performing stocks in the quarter were: Electro Scientific Industries Inc. (1.3% of net assets as of September 30, 2017), FormFactor Inc. (1.5%), and Myriad Genetics Inc. (0.6%).

Electro Scientific Industries Inc. (ESIO – $13.92 – NASDAQ) has built a core competency in laser beam movement and in the interaction between those lasers and materials. The company serves a variety of end markets as a best-of-breed, most notably micromachining and printed circuit boards. In recent years, the company raised their risk profile by narrowly concentrating upon a single customer in each end market, and saw business evaporate when demand unexpectedly shifted. Last summer, Michael Burger was brought in as CEO to drive earnings consistency by instilling operational discipline and improving execution. Having run a previous holding of ours (Cascade Microsystems) until it was acquired, our experience with him identified this hiring as a catalyst for a stock priced near book value. Quarterly results show the company is better handling demand resurgence, and seeding new products in the marketplace.

FormFactor Inc (FORM – $16.85 – NASDAQ) designs and manufacturers probe cards used in the testing of semiconductors. The company has successfully engineered a turnaround away from a period of market share losses, while implementing cost discipline and transitioning the business from dependency upon memory markets to those of foundry and logic. In recent quarters, a long awaited tailwind in memory spending has boosted orders at the company, concurrent with new customer wins and an acquisition in an adjacent sector. All three of these drivers are supportive of changing perceptions towards earnings stability going forward.

Myriad Genetics, Inc. (MYGN – $36.18 – NASDAQ) is a leader in personalized medicine, having built out the industry's most comprehensive database, containing more than two million samples of over forty thousand variants of cancer. We investigated the stock after a new market entrant in the hereditary cancer testing space heralded pricing fears, which collapsed Myriad's stock price. Concluding that the risk/reward was solidly balanced to the upside owing to the value found in this non-replicable database, we established a position. In the past two quarters, the company has secured long term pricing contracts on this portion of the business, ensuring stability and allowing investors to focus on the added potential of a handful of new testing products seeking reimbursement.

Among the worst performing stocks in the quarter were: Diebold Nixdorf, Inc. (2.0%), C&J Energy Services, Inc. (1.9%), and The Rubicon Project, Inc.

Diebold Nixdorf, Inc (DBD – $22.85 – NYSE) is most known for its branded line of ATMs. The prior summer, the company closed on the acquisition of Wincor Nixdorf, its largest competitor in Europe. Promising sizeable cost savings related to duplicative expenses, investors were initially optimistic on the expanded margin potential of the combined organization, especially as it promised a transformation into a software and services driven company. But as the traditional bank customer set evolves in response to new "Fintech" competition (emerging, technology-driven financial services companies), the still-integrating organization has had difficulty in responding nimbly. Touching our downside target, we added to the name, confident of the potential within the cost savings program, which has only grown in anticipated benefit since the deal.

C&J Energy Services, Inc. (CJ – $29.97 – NYSE) provides well completion services to oil and gas exploration and production (E&P) customers. Earlier in the year, the company emerged from a bankruptcy filing wrought by 2015's commodity price collapse and the predecessor's response to chase volume at any price. The emergent company has vocalized a changed approach towards debt and rampant growth, returning at an opportune time to capitalize on rising service intensity in a tight market. Investor enthusiasm, however, wavered following the last quarterly report as reactivation costs for stacked fleets appeared higher than commonly anticipated, and fears emerged that industry disorder might emerge should all participants, again, look to add pressure pumping capacity. We still see supportive pricing trends heading into the new year with recovering oil prices, reduced skilled labor (as a fallout from a few years prior), and a large pool of DUCs (drilled but uncompleted wells) in the industry.

The Rubicon Project, Inc (RUBI – $3.89 – NYSE) hosts an online advertising technology platform to match publishers with websites. The largest independent and number two in market share to behemoth Google, the company stumbled earlier in the year as the marketplace embraced a new technology that disadvantaged Rubicon's market share and premium pricing. With the hiring of a storied CEO known for fixing and selling media companies, and a cash balance representing over 75% of the market capitalization, we saw downside support for this speculative turnaround name. But we reconsidered that thesis of downside support, and exited the position after the company used more than twenty percent of this cash balance to pursue an acquisition without first stemming operating losses. Though only a small, starter position, it was one of the worst performing stocks in the quarter.

Conclusion

We believe our portfolio is well diversified across a broad cross section of special situation equities attractively priced for handsome returns over the next market cycle.

We appreciate your confidence and trust.

October 12, 2017

Top Ten Holdings (Percent of Net Assets)
September 30, 2017

Patterson-UTI Energy Inc.	2.6%	Rush Enterprises Inc.	2.0%
Entegris Inc.	2.6%	C&J Energy Services Inc.	1.9%
LegacyTexas Financial Group Inc.	2.4%	Ferro Corp.	1.9%
A. Schulman Inc.	2.3%	Darling Ingredients Inc.	1.9%
Diebold Nixdorf Inc.	2.0%	Progress Software Corp.	1.9%

TETON Westwood Mid-Cap Equity Fund

To Our Shareholders,

For the quarter ended September 30, 2017, the TETON Westwood MidCap Equity Fund's net asset value ("NAV") per Class AAA share appreciated 2.1% versus a gain of 3.5% for the Russell Midcap Index and a gain of 5.3% for the Russell Midcap Growth Index. Year to date, the Fund appreciated 14.8% versus gains of 11.7% and 17.3% for the respective indices.

Commentary

Please note that the macro commentary for the TETON Westwood SmallCap Equity Fund also applies to the TETON Westwood Mid-Cap Equity Fund, whereas any specific attribution factors unique to performance of the Mid-Cap Equity Fund are discussed below.

In the third quarter, the portfolio marked a period of underperformance, as we seek to transition a number of our holdings from growth-orientated drivers towards catalyst-driven value names. As the market has continued to rise solidly, with few sustained price dislocations, new investment opportunities matching our parameters have been few. Our primary sources of underperformance this quarter were centered in Technology and Energy. Within Technology, because of current valuations, we have been unable to add any of the strongly performing semiconductor names being fueled by sustained demand, rational supply, and expanding end markets. As we move into earnings season, we are ready for new opportunities which might present, should near term results disappoint those investors with shorter investment horizons and high expectations, leading to overlooked long term potential.

Within Energy, our holdings are primarily Permian Basin exploration and production (E&P) companies and service providers, both categories that underperformed early in the quarter and were overall weaker than names found within the index. As referenced below and in the SmallCap discussion section, we see industry tightness and rising service intensity driving improved pricing for service providers, particularly as the industry still maintains a sizeable inventory of wells awaiting completion. Among E&P's, the Permian is the most attractive basin, owing to the size of the resource potential. In addition, its stacked geology allows for more efficient, manufacturing-like extraction via the technology-driven techniques introduced in recent years. We view the rally in both energy stocks and oil prices, which began at the end of the quarter, as supportive of investors returning to this key subsector.

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On the positive side, we posted outperformance within a number of other sectors, including Health Care, Industrials, Real Estate, Consumer, and Financials, each owing to strong performance of individual names in each sector and continuing secular themes, such as data center demand within Real Estate.

Average Annual Returns Through September 30, 2017 (a)

	Quarter	Year-to-Date	1 Year	3 Year	Since Inception (5/31/13)
Mid-Cap Equity Fund Class AAA (WMCEX)	2.07%	14.84%	13.38%	7.09%	8.38%
Russell Midcap Index	3.47	11.74	15.32	9.54	11.45(b)
Russell Midcap Growth Index	5.28	17.29	17.82	9.96	11.83(b)

In the current prospectuses dated January 27, 2017 as amended July 5, 2017, the gross expense ratio for Class AAA Shares is 3.26%, and the net expense ratio is 1.05%, after contractual reimbursements by Teton Advisors, Inc. (the "Adviser") in place through January 31, 2018. Class AAA Shares do not have a sales charge.

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(b) Russell Midcap and Russell Midcap Growth Indices since inception performance is from May 30, 2013.

Let's Talk Stocks

Among the best performing stocks in the quarter were: Orbital ATK Inc. and Ralph Lauren Corp. (2.0% of net assets as of September 30, 2017).

Orbital ATK Inc. (OA – $133.16 – NYSE) is an aerospace and defense systems supplier, concentrated on military munitions and space launch vehicles, formed through a merger with Orbital Sciences in 2015. While making steady turnaround progress, rectifying last summer's accounting issue disclosure, the company received a cash bid from Northrop Grumman Corp. Slated to become a fourth division of that company, Orbital ATK would balance their program and sector exposure, while continuing a string of consolidation activity within the defense industry.

Ralph Lauren Corp (RL – $88.29 – NYSE) is a fashion designer and retailer of branded clothing and lifestyle accessories. Earlier this year, we saw an opportunity to own a storied brand within an out-of-favor sector. The company launched a turnaround program dubbed "Way Forward" to introduce operational discipline by shortening product lead times, shrinking the supply chain, cutting costs, and refocusing upon core brands. Shifting to address areas of future growth potential, the program encroached upon the realm of creative decision making. With his fast-fashion background, the new CEO clashed with founder Ralph Lauren on these decisions, and subsequently left the company. In return, investors sharply sold off the stock. We established a position as we saw downside support to fundamentals from the already-implemented restructuring plans and upside potential, should a new leader look to capitalize on a tighter operation to drive growth. In the past quarter, the company demonstrated solid margin gains and inventory reductions, which led to notably improved free cash flow. In addition, the company did hire a new CEO with a penchant for brand building during his tenure at the Procter & Gamble Co.

Among the worst performing stocks in the quarter were Pioneer Natural Resources Co. and MACOM Technology Solutions Holdings, Inc. (0.5%).

Pioneer Natural Resources Co. (PXD – $147.54 – NYSE) is an oil and gas exploration and production company focused on the Permian basin. Despite offering the combination of a strong balance sheet and top tier assets, the company stumbled in the last quarter, even prompting a temporary rout among peer stocks. First, an adjustment in well completion technique drove production delays, resulting in lowered annual guidance as these alterations occur in a tight services environment. Secondly, a comment about the rising "GOR" (gas/oil ratio) was misinterpreted to mean that well quality was declining (less oil produced as wells decay), rather than producing excessive gas on the same anticipated quantity of oil. We see both of these issues as temporary, and likely to be overshadowed by the gains of an improving commodity environment which surfaced at the quarter's end.

MACOM Technology Solutions Holdings, Inc (MTSI – $44.61 – NASDAQ) provides a broad catalog of niche technology components used in optical networks, radio frequency, and high performance analog. Though Chinese optical inventory drawdowns became widely visible earlier in the year, related to uneven large scale program deployments, many expected the breadth of product and positive drivers for MACOM would serve to offset these industry headwinds. When the company reported a miss, coupled with weak guidance, it was clear that the effects of this industry hiccup could not be avoided, and the stock traded sharply lower. As inventories come to match a passing lower level of demand, focus will return to the rapid expansion of data center content, both in port count and increased served market, coupled with margin potential following a series of acquisitions.

Conclusion

We believe our portfolio is incrementally diversifying across a broad cross section of special situation equities attractively priced for handsome returns over the next market cycle.

We appreciate your confidence and trust.

October 12, 2017

Top Ten Holdings (Percent of Net Assets)
September 30, 2017

CBRE Group Inc.	3.4%	BankUnited Inc.	2.8%
Equinix Inc.	3.1%	Zions Bancorporation	2.8%
Fortinet Inc.	3.1%	Laboratory Corp. Of America Holdings	2.7%
American Tower Corp.	3.0%	Fortune Brands Home & Security Inc.	2.7%
Quanta Services Inc.	2.9%	Toll Brothers Inc.	2.6%

TETON Convertible Securities Fund

To Our Shareholders,

For the quarter ended September 30, 2017, the net asset value ("NAV") per Class AAA share of the TETON Convertibles Securities Fund appreciated 4.7%, compared with a gain of 3.8% for the Bank of America Merrill Lynch All U.S. Convertibles Index ("VXAO") and a gain of 4.5% for the Standard and Poor's ("S&P") 500 Index. Year to date, the Fund appreciated 13.7% versus gains of 12.0% and 14.2% for the respective indices.

Commentary

Markets continued to make gains in the third quarter, showing tremendous resilience despite geopolitical turmoil, an extraordinarily destructive hurricane season, a devastating earthquake in Mexico, and terrorism weighing on the world. The optimism in the domestic financial markets appears to stem from the focus on tax reform contributing to earnings and fueling economic growth. This has caused the more economically sensitive companies to rally. Tax reform should help smaller, domestically focused companies, as well as those which would benefit from the ability to repatriate global cash due to a lower tax burden. Other economic indicators seem to support the markets uptrend, such as improved factory orders and continued low unemployment. Slightly higher oil prices contributed to a strong move in the energy sector. Interest rates have moved slightly higher and have contributed to an uptrend in the financial sector.

We continue to see new issues in the convertible market, with ten in September. This brings the year to date total to $31.3 billion across 82 issues. Technology issues continue to dominate but we are seeing some new participants from other sectors. The convertible market still provides an attractive way to participate in the upside of the strong equity markets, while providing downside protection should the markets decline. We have noted that there are some proposals to limit or exclude the deduction of interest for corporate tax purposes in the U.S. corporate tax code. We anticipate that such a change would result in an increase in the probability of corporations issuing convertible securities due to their lower yields.

Thomas Dinsmore, CFA

Jane O'Keeffe

James Dinsmore, CFA

Convertibles as an asset class have done well in 2017, as they have been more equity sensitive overall. The average current yield of the convertible market is 3.0% and the average premium is

Average Annual Returns Through September 30, 2017 (a)

	Quarter	Year-to-Date	1 Year	3 Year	5 Year	10 Year	15 Year	Since Inception (9/30/97)
Convertible Securities Fund Class AAA	4.71%	13.65%	14.14%	4.09%	8.79%	4.36%	8.22%	7.35%
S&P 500 Index	4.48	14.24	18.61	10.81	14.22	7.44	10.04	7.00
Bank of America Merrill Lynch U.S. Convertibles Index	3.77	11.96	14.31	6.81	11.01	6.82	8.94	7.08

In the current prospectuses dated January 27, 2017 as amended July 5, 2017, the gross expense ratio for Class AAA Shares is 2.74%, and the net expense ratio is 1.15%, after contractual reimbursements by Teton Advisors, Inc. (the "Adviser") in place through January 31, 2018. Class AAA Shares do not have a sales charge.

(a) *Returns represent past performance and do not guarantee future results. Total returns and average annual returns reflect changes in share price, reinvestment of distributions, and are net of expenses. Investment returns and the principal value of an investment will fluctuate. When shares are redeemed, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Visit www.tetonadv.com for performance information as of the most recent month end. The Adviser reimbursed expenses to limit the expense ratio. Had such limitation not been in place, returns would have been lower. The Fund imposes a 2% redemption fee on shares sold or exchanged within seven days of purchase. Performance returns for periods of less than one year are not annualized. Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectuses contain information about these and other matters and should be read carefully before investing. To obtain a prospectus, please visit our website at www.tetonadv.com.* Other share classes are available and have different performance characteristics. See page 23 for performance of other classes of shares. The S&P 500 Index is a market capitalization weighted index of 500 large capitalization stocks commonly used to represent the U.S. equity market. The Bank of America Merrill Lynch U.S. Convertibles Index is a market value weighted index of all dollar denominated convertible securities that are exchangeable into U.S. equities that have a market value of more than $50 million. Dividends are considered reinvested. You cannot invest directly in an index.

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26.82%. Duration is 2.94 years (a measure of interest rate sensitivity). We expect convertibles to provide asymmetric returns, participating in more of the upside of the equity markets as they rise, with the yield and short duration providing support should the equity markets fall.

The Fund has participated well with the markets in the third quarter and year to date. The Fund portfolio has a weighted average current yield of 2.65% and a median premium of 25.04% as of September 30. Fund characteristics show that 31% of the holdings are equity equivalents, 58% are total return and 11% are fixed income surrogates. Convertible bonds make up 85% of the portfolio, while mandatory and preferred convertibles are 13% and 2%, respectively.

Let's Talk Investments

Neurocrine Biosciences Inc. (Cv. 2.25%, 5/15/24) (1.8% of net assets as of September 30, 2017) is a biotechnology company based in San Diego, California. The company is advancing small molecule therapies for neurologic, psychiatric, and endocrine disorders. This year the company received approval from the FDA for Ingrezza as a treatment for tardive dyskinesia, which it has begun to commercialize. It has several other compounds in phase three development, and has partnered with AbbVie on Elagolix for women's health. Other phase three products include Opicapone for Parkinson's disease and Ingrezza for Tourette Syndrome. These convertible bonds are fairly sensitive to the underlying equity, and provide a yield advantage over the common stock, which does not pay a dividend.

Teladoc Inc. (Cv. 3.0%, 12/15/22) (2.2%) is a network of physicians, psychiatrists, and other licensed therapists who provide medical services through proprietary telehealth clinical guidelines. The company has partnered with payers and consumers to provide virtual care solutions for healthcare. They have recently signed contracts to provide services for the Blue Cross Blue Shield Federal Employee program. A bill that has recently gained traction in Congress, called the Chronic Act, would broaden the use of telemedicine services across Medicare. These convertible bonds provide upside potential with the equity and offer a yield advantage over the common stock, which does not pay a dividend.

SunPower Corp. (Cv. 4%, 1/15/23) (1.7%) is an integrated solar products and services company headquartered in San Jose, California. The company offers high efficiency solar energy solutions for homeowner, corporate and government customers, as well as utility scale solar power plants. The company offers some of the most efficient systems in the industry, allowing for more power to be generated from a smaller footprint. Over the long term, SunPower should benefit as the world moves to generate more energy from renewable resources. French energy giant Total S.A. owns a majority of the shares outstanding, and has invested in many of SunPower's debt offerings. This convertible is trading below par, and offers a very attractive yield. Given the company's prospects and the backing of Total, we expect to achieve the 8% yield to maturity, with the potential for growth beyond that as the solar industry expands.

Rexnord Corp. ($2.88 preferred, 11/15/19) (2.1%) is a company that designs, manufactures and distributes a wide range of products, including drive systems, bearings, seals, and plumbing equipment, for use in industrial, food and beverage, energy, construction, and water infrastructure applications. The company's products possess strong cash generating properties, due to their large installed bases, consistent replacement cycles, established sales and distribution networks, and scale. The company recently completed the multi-year reduction of its manufacturing footprint, which will provide approximately $30 million of annualized cost savings and a meaningful operating tailwind going forward. In late 2016, Rexnord raised $390 million through a mandatory convertible financing transaction, allowing the company to continue to deleverage its balance sheet as well as provide the flexibility to pursue additional bolt-on transactions. This mandatory convertible preferred provides a yield of 4.94%, and represents an attractive alternative approach to investing in Rexnord, which has no common dividend.

Team, Inc. (Cv., 5%, 8/1/23) (1.9%) is a leading provider of mechanical and inspection services. The company operates roughly 220 locations around the world to perform on-site, emergency, and turnaround functions for a variety of industrial customers, including those in refining, petrochemical, power, and downstream energy. Team merged with smaller rival Furmanite Inc. in 2016 via an all-stock transaction designed to increase scale and enhance service offerings. Continued delays in customer spending, notably in turnaround activity, along with the ongoing integration of the businesses, has proven to be a challenge, and revenues and profits have been below management and investor expectation. Gary Yesavage, who has vast experience in the refinery industry and retired from Chevron Corp. (CVX) after over 40 years, was named interim CEO in September while the company searches for a permanent CEO. This 5% coupon convertible bond has a 6.05% yield to maturity which provides an attractive alternative approach to investing in Team, Inc. which has no common dividend.

Conclusion

We believe that convertibles offer a good way to continue to participate in the rising equity market. The strong new issuance this year provides a broadening investment opportunity and is the sign of a healthy convertible market. We remain focused on total return for our shareholders through a mix of income and capital appreciation and we believe the characteristics of the asset class support continued positive asymmetric returns.

October 12, 2017

Top Ten Holdings (Percent of Net Assets)
September 30, 2017

InterDigital Inc., Cv., 1.5%, 3/1/20	2.8%	RealPage Inc., Cv., 1.5%, 11/15/22	2.6%
Teradyne Inc., Cv., 1.25%, 12/15/23	2.7%	Carriage Services Inc., Cv., 2.75%, 3/15/21	2.6%
LendingTree Inc., Cv., 0.63%, 6/1/22	2.7%	Aerojet Rocketdyne Holdings Inc., Cv., 2.25%, 12/15/23	2.5%
Alibaba Group Holding Ltd., Mandatory Exchangeable Trust	2.7%	Inphi Corp., Cv., 1.13%, 12/1/20	2.5%
Cypress Semiconductor Corp., Cv. 4.5%, 1/15/22	2.7%	Microchip Technology Inc., Cv., 1.63%, 2/15/27	2.5%

TETON Westwood Equity Fund

To Our Shareholders,

For the quarter ended September 30, 2017, the TETON Westwood Equity Fund's net asset value ("NAV") per Class AAA share returned 3.8% versus a return of 4.5% for the S&P 500 Index. Year to date, the Fund returned 11.7% versus 14.2% for the benchmark.

Market Commentary

Looking back, equity markets again posted a strong quarterly gain with limited volatility. The S&P 500 saw the lowest average daily change, +0.3%, in nearly 50 years. The S&P rose for the 8th consecutive quarter and 11th straight month, with only one down month in the last 19 months. Growth continued to outperform value as it has since the year began, though small caps outpaced large caps for the first time this year. Commodity markets rallied during the quarter, with crude posting double-digit gains and reversing much of the losses seen year to date. Bond markets were largely unchanged, and the Federal Reserve remained on the path to normalization by authorizing the reduction of its balance sheet as planned. The shift in monetary policy to be less accommodative should continue with future rate hikes expected by the markets to resume in the coming months. We continue to believe that the shift to less accommodative monetary policy should refocus markets on fundamentals and earnings growth rather than the multiple expansion seen in the last few years.

Looking forward, companies both domestically and abroad appear optimistic on improving growth, even as political uncertainty remains elevated as it has since the year began. Movement in Washington to pass a tax reform bill picked up momentum in the last several weeks, improving the probability of such legislation, though the market has yet to price in such an outcome in a meaningful way. Should it pass, these fiscal policies could create a meaningful tailwind and raise earnings expectations for the coming year. Higher interest rates, arising from monetary policy impacts, should further help to drive dispersion between individual company returns. Companies with better balance sheets and superior cash generation should be rewarded by the market as the cost of capital rises. We continue to focus on identifying high quality companies with undervalued earnings and cash flows, which can absorb these costs, while seeking to

Matthew R. Lockridge

Mark R. Freeman, CFA

Varun V. Singh, PhD, CFA

Scott D. Lawson, CFA

Lisa Dong, CFA

Average Annual Returns Through September 30, 2017 (a)

	Quarter	Year-to-Date	1 Year	3 Year	5 Year	10 Year	15 Year	Since Inception (1/2/87)
Equity Fund Class AAA (WESWX)	3.79%	11.66%	16.61%	8.79%	12.40%	5.35%	9.17%	10.03%
S&P 500 Index	4.48	14.24	18.61	10.81	14.22	7.44	10.04	10.38(b)

In the current prospectuses dated January 27, 2017 as amended July 5, 2017, the expense ratio for Class AAA Shares is 1.63%. Class AAA Shares do not have a sales charge.

(a) *Returns represent past performance and do not guarantee future results. Total returns and average annual returns reflect changes in share price, reinvestment of distributions, and are net of expenses. Investment returns and the principal value of an investment will fluctuate. When shares are redeemed, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Visit www.tetonadv.com for performance information as of the most recent month end. Performance returns for periods of less than one year are not annualized. Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectuses contain information about these and other matters and should be read carefully before investing. To obtain a prospectus, please visit our website at www.tetonadv.com.* Other share classes are available and have different performance characteristics. See page 23 for performance of other classes of shares. The S&P 500 Index is a market capitalization weighted index of 500 large capitalization stocks commonly used to represent the U.S. equity market. Dividends are considered reinvested. You cannot invest directly in an index.

(b) S&P 500 Index since inception performance is as of December 31, 1986.

protect client capital from downside should volatility increase from the low levels that continue to be seen this year.

Information Technology was once again the best performing sector in the S&P 500. In an increasingly digital and connected world, several industries looked to be beneficiaries of these secular trends along with cyclical tailwinds. The Semiconductor industry remained a top performer as non-traditional end markets, like automotive, continue to grow. Other growth-oriented sectors performed well, in addition to commodity-oriented stocks, which rallied as crude prices regained some of their year-to-date losses. Consumer stocks were pressured by the growing number of industries that could be impacted by the price transparency and scale that Amazon brings as it expands its product offerings; the most notable was in the grocery industry with Amazon's purchase of Whole Foods and subsequent lowering of prices on a number of high-profile items. Bond proxies were also laggards in the upward trending market.

Performance Drivers

Industrials were the top contributing sector driven by strong positive stock selection. The Boeing Company (2.1% of total net assets as of September 30, 2017) rallied on better earnings and cash flow results, as its backlog for new airplanes now stretches out over the next five years. Booz Allen Hamilton Holding Corp. (2.1%) posted a solid quarter, regaining some of the prior quarter's decline after the announcement of a government investigation. Chevron Corp. (2.2%) benefited from the move higher in crude oil prices and its exposure to the Permian Basin in West Texas. Lam Research Corp. (1.2%) saw continued strong demand for semiconductors drive results ahead of expectations as demand for memory chips continues to grow. Cigna Corp. (2.1%) reported results ahead of consensus and raised guidance driven by strong enrollment trends and improving execution in its disability business.

Information Technology was the Fund's worst performing sector due to an underweight and less favorable stock selection. Several consumer staples, including Hormel Foods Corp. (2.0%), General Mills Inc. (1.8%), and Pepsico Inc. (1.9%), were pressured in the quarter by slowing revenue trends driven weak volumes. Amazon's entrance into the grocery industry with the purchase of Whole Foods placed additional pressure on the group from increased competition and price transparency. Alliance Data Systems Corp. declined on concerns over the divergence of credit sales and receivables growth for their private label card business. Oracle Corp.'s (2.4%) cloud revenues saw strong growth but decelerated modestly from recent levels, which weighed on the stock.

October 12, 2017

Top Ten Holdings (Percent of Net Assets)
September 30, 2017

JPMorgan Chase & Co.	3.6%	Becton Dickinson and Co.	3.2%
Bank of America Corp.	3.6%	CVS Health Corp.	2.5%
AT&T Inc.	3.5%	Oracle Corp.	2.4%
Johnson & Johnson	3.4%	EOG Resources Inc.	2.3%
Wells Fargo & Co.	3.4%	V.F. Corp.	2.2%

TETON Westwood Balanced Fund

To Our Shareholders,

For the quarter ended September 30, 2017, the TETON Westwood Balanced Fund's net asset value ("NAV") per Class AAA share returned 2.7% versus a return of 3.0% for the benchmark: 60% S&P 500 Stock Index/40% Bloomberg Government/Credit Bond Index (BB G/C). Year to date, the Fund returned 8.4% versus 9.9% for the benchmark.

Notes on the Fund

The Fund is designed to provide exposure to equities while reducing overall risk through investment in investment grade fixed income securities. The bond portion typically invests in high quality notes with lower interest rate sensitivity — and generally a shorter maturity — than the BB G/C, with the objective of dampening the volatility of equity holdings. Please note that the performance commentary for the Equity Fund also applies to the Equity portion of the Balanced Fund and the Bond Market Commentary for the Intermediate Bond Fund applies to the Bond portion, whereas any specific attribution factors unique to performance of the fixed income portion are discussed below.

Quarterly Fixed Income Drivers

TETON Westwood Balanced Fund benefited from its overweight position in corporate credit relative to the benchmark during the third quarter. Investment grade credit spreads tightened by approximately seven basis points during the period causing corporates to outperform duration matched Treasury and U.S. Agency positions. The portfolio was overweight to both Financial and Industrial sector corporates, which provided relative gains versus the benchmark. The portfolio was underweight duration or interest rate risk versus the benchmark, which proved to be a detractor as longer-dated corporates outperformed during the quarter.

Considering both percentage of Fund and total return, the lowest contributors to

Matthew R. Lockridge

Mark R. Freeman, CFA

Varun V. Singh, PhD, CFA

Scott D. Lawson, CFA

Lisa Dong, CFA

Average Annual Returns Through September 30, 2017 (a)

	Quarter	Year-to-Date	1 Year	3 Year	5 Year	10 Year	15 Year	Since Inception (10/1/91)
Balanced Fund Class AAA (WEBAX)	2.66%	8.42%	10.34%	6.21%	8.17%	4.79%	7.06%	8.37%
60% S&P 500 Index and 40% Bloomberg Barclays Government/Credit Bond Index (b)	3.01	9.94	11.16	7.62	9.37	6.20	7.74	8.14
S&P 500 Index	4.48	14.24	18.61	10.81	14.22	7.44	10.04	9.68(c)
Bloomberg Barclays Government/Credit Bond Index	0.81	3.49	(0.01)	2.83	2.10	4.34	4.28	5.82(c)

In the current prospectuses dated January 27, 2017 as amended July 5, 2017, the expense ratio for Class AAA Shares is 1.35%. Class AAA Shares do not have a sales charge.

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(b) The Blended Index consists of a blend of 60% of the S&P 500 Index and 40% Bloomberg Barclays Government/Credit Bond Index.

(c) S&P 500 Index and Bloomberg Barclays Government/Credit Bond Index since inception performances are as of September 30, 1991.

Fund performance were three short-dated positions, Freddie Mac 1.75% due 30-May-2019 (0.9% of net assets as of September 30, 2017), Texas Instruments 1.65% due 03-August-2019 (0.8%), and U.S. Treasury 3.375% due 15-November-2019 (1.2%). Our top contributor for the period was Morgan Stanley 3.7% due 23-October-2024 (0.9%). Other top contributors were intermediate maturity corporates: Intel Corp. 3.3% due 01-October-2021 (1.6%), Capital One Financial 3.75% due 24-April-2024 (0.9%), and Aetna Inc. 3.5% due 15-November-2024 (1.0%).

Quarterly Equity Drivers

As was the case for the TETON Westwood Equity Fund, Industrials were the top contributing sector, driven by strong positive stock selection. The Boeing Co. (1.5%) rallied on better earnings and cash flow results, as its backlog for new airplanes now stretches out over the next five years. Booz Allen Hamilton Holding Corp. (1.4%) posted a solid quarter, regaining some of the prior quarter's decline after the announcement of a government investigation. Chevron Corp. (1.5%) benefited from the move higher in crude oil prices and their exposure to the Permian Basin in west Texas. Lam Research Corp. (0.8%) saw continued strong demand for semiconductors drive results ahead of expectations as demand for memory chips continues to grow. Cigna Corp. (1.8%) reported results ahead of consensus and raised guidance, driven by strong enrollment trends and improving execution in its disability business.

Information Technology was the Fund's worst performing sector due to an underweight and less favorable stock selection. Several consumer staples, including Hormel Foods Corp. (1.3%), General Mills Inc. (1.2%), and Pepsico Inc. (1.5%), were pressured in the quarter by slowing revenue trends driven weak volumes. Amazon's entrance into the grocery industry with the purchase of Whole Foods placed additional pressure on the group from increased competition and price transparency. Alliance Data Systems Corp. declined on concerns over the divergence of credit sales and receivables growth for its private label card business. Oracle Corp.'s (1.6%) cloud revenues saw strong growth but decelerated modestly from recent levels, which weighed on the stock.

Changes in Holdings

One position was called during the quarter, Verizon Communications 3.65% due 14-September-2018.

October 12, 2017

Top Ten Issuers* (Percent of Net Assets)
September 30, 2017

U.S. Treasuries	6.2%	CVS Health Corp.	2.6%
JPMorgan Chase & Co.	3.5%	Colgate-Palmolive Co.	2.3%
AT&T Inc.	3.2%	Aetna Inc.	2.3%
Wells Fargo & Co.	2.9%	Johnson & Johnson	2.3%
Freddie Mac Notes	2.6%	Bank of America Corp.	2.3%

*Bond and equity positions have been combined.

TETON Westwood Intermediate Bond Fund

Wayne C. Plewniak

To Our Shareholders,

During the quarter ended September 30, 2017, the TETON Westwood Intermediate Bond Fund's net asset value ("NAV") per Class AAA share returned 0.3% versus a return of 0.8% for the Bloomberg Government/Credit Bond Index (BB G/C). Year to date, the Fund returned 1.7% versus 3.5% for the benchmark.

Market Commentary

Investment grade bonds posted solid gains during the period. U.S. Treasury yields fell in July and August, but rose again in September. Even against a backdrop which included: a trifecta of massive hurricanes, elevated geopolitical tensions and name calling, and the defeat of yet another attempted repeal of "ObamaCare," market sentiment generally swung positive, benefiting from subsiding macro-economic concerns, cautious optimism over a potential GOP tax plan, and firmer oil prices. U.S. inflation data (via the Consumer Price Index) came in weaker than expected in both July and August, but surprised to the upside in September. In July, the Federal Reserve elected to hold short-term interest rates steady. While saying that, job gains have been solid, and inflation remained low. The Fed's September commentary intimation of a third rate hike this year, as well as its stated intent to begin the balance sheet normalization process this fall, did little to dampen market optimism.

Quarterly Performance Drivers

The yield on the 10-year U.S. Treasury rose marginally from 2.31% to 2.33% in the quarter, notwithstanding the inter-period volatility. Investment grade credit spreads tightened by approximately 8 basis points during the period. The U.S. Treasury yield curve flattened slightly as the yield differential between 10-year and 2-year U.S. Treasury continued to narrow. Inflation expectations increased slightly during the period, causing nominal Treasuries to underperform. Generally speaking, lower rated and longer dated bonds outperformed higher rated and shorter dated bonds in the quarter.

Portfolio Structure Comments

Portfolio structure (in terms of duration, level of credit risk, corporate bond weighting, government bond weighting, etc.) was little changed from the second quarter. The portfolio is significantly underweight duration versus our benchmark as we believe inflation and growth expectations are significantly underpriced and that interest rates will end the year higher than where they are today. Given this view, our corporate bond exposure is concentrated on short-dated (1-3 year) high quality issues that offer a compelling yield pick-up over duration

Average Annual Returns Through September 30, 2017 (a)

	Quarter	Year-to-Date	1 Year	3 Year	5 Year	10 Year	15 Year	Since Inception (10/1/91)
Intermediate Bond Fund Class AAA (WEIBX)	0.33%	1.74%	(1.18)%	1.36%	0.55%	2.76%	2.70%	4.52%
Bloomberg Barclays Government/Credit Bond Index	0.81	3.49	(0.01)	2.83	2.10	4.34	4.28	5.82(b)

In the current prospectuses dated January 27, 2017 as amended July 5, 2017, the gross expense ratio for AAA Shares is 1.44%, and the net expense ratio is 1.02%, after contractual reimbursements by Teton Advisors Inc. (the "Adviser") in place through January 31, 2018. Class AAA Shares do not have a sales charge.

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(b) The Bloomberg Barclays Government/Credit Bond Index since inception performance is as of September 30, 1991.

matched Treasuries. Furthermore, we believe intermediate corporate credit spreads are not compelling at current levels as their valuations appear stretched in a historical context.

Changes in Fixed Income Holdings

Positioning was unchanged during the period.

October 12, 2017

Top Ten Issuers (Percent of Net Assets)
September 30, 2017

U.S. Treasuries	21.8%	Mondelez International Inc., 5.38%, 2/10/20	3.3%
Fannie Mae Notes	12.9%	AT&T Inc., 3.9%, 3/11/24	3.2%
The Bank of New York Mellon Corp., 2.2% 5/15/19	4.9%	United Technologies Corp., 3.1%, 6/1/22	3.1%
Federal Home Loan Mortgage Corp., 1.75%, 5/30/19	4.3%	MarkWest Energy Partners LP, 5.5%, 2/15/23	3.1%
Apple Inc., 1.56%, 5/3/18	3.7%	General Motors Co., 3.5%, 10/2/18	3.1%

On September 1, 2017 Wayne C. Plewniak assumed portfolio management of the Fund, at which time Mark R. Freeman resigned as portfolio manager.

Minimum Initial Investment

For all Funds, the minimum initial investment for Class AAA, Class A, Class C, and Class T shares is $1,000 ($250 for IRAs or Coverdell Education Savings Plans). Except for the Mighty Mites Fund and the SmallCap Equity Fund, Class T shares are not currently offered for sale. For all Funds except the Convertible Securities Fund, the minimum initial investment for Class I shares is $500,000, and for the Convertible Securities Fund it is $100,000, for investors purchasing Class I shares directly through the Distributor. Investors who wish to purchase Class I shares through brokers or financial intermediaries that have entered into selling agreements with the Distributor specifically with respect to Class I shares should consult their broker or financial intermediary with respect to any minimum investment amount required for their account.

The Distributor or its affiliates may, in their discretion, waive the minimum investment requirement under certain circumstances. There is no minimum for subsequent investments. Broker-dealers and financial intermediaries may have different minimum investment requirements.

The Funds offer an automatic monthly investment plan. For Class AAA, Class A, Class C, and Class T, there is no initial minimum investment for accounts establishing an automatic investment plan except for Mighty Mites Fund, where the minimum initial investment is $1,000. Call your financial intermediary or the Distributor at 800-GABELLI (800-422-3554) for more details about the plan.

www.tetonadv.com

Please visit us on the Internet. Our homepage at www.tetonadv.com contains information about the TETON Westwood Funds, with links to information about the Gabelli Mutual Funds, IRAs, 401(k)s, current and historical quarterly reports, closing prices, and other current news. We welcome your comments and questions via e-mail at info@tetonadv.com.

The Funds' daily net asset values are available in the financial press and each evening after 7:00 PM (Eastern Time) by calling 800-GABELLI (800-422-3554). Please call us during the business day, between 8:00 AM – 7:00 PM (Eastern Time), for further information. Thank you for investing in the TETON Westwood Funds. We look forward to serving your investment objectives in the years ahead.

e-delivery

We are pleased to offer electronic delivery of fund documents. Direct shareholders of our open-end funds can now elect to receive their Annual and Semiannual Reports, Manager Commentaries, and Prospectuses via e-delivery. For more information, please visit our distributor's website at www.gabelli.com. You may also sign up for our e-mail alerts and receive early notice of quarterly report availability, news events, media sightings, and mutual fund prices and performance via our website. The TETON Westwood Mutual Funds are distributed by G.distributors, LLC., a registered broker-dealer and member of FINRA.

Nasdaq Symbols Table

TETON Westwood Funds	Class AAA	Class A	Class C	Class I	Class T
Mighty Mites	WEMMX	WMMAX	WMMCX	WEIMX	WETMX
SmallCap Equity	WESCX	WWSAX	WWSCX	WWSIX	WWSTX
Mid-Cap Equity Fund	WMCEX	WMCAX	WMCCX	WMCRX	
Convertible Securities Fund	WESRX	WEIAX	WEICX	WESIX	
Equity	WESWX	WEECX	WEQCX	WEEIX	
Balanced	WEBAX	WEBCX	WBCCX	WBBIX	
Intermediate Bond	WEIBX	WEAIX	WECIX	WEIIX	

TETON Westwood Funds and Your Personal Privacy

Who are we?

The TETON Westwood Funds are investment companies registered with the Securities and Exchange Commission under the Investment Company Act of 1940. We are managed by Teton Advisors, Inc., which is an affiliate of GAMCO Investors, Inc., a publicly held company that has subsidiaries that provide investment advisory services for a variety of clients. Teton Advisors, Inc. is a publicly held company that provides investment advisory services to the TETON Westwood Funds.

What kind of non-public information do we collect about you if you become a fund shareholder?

If you apply to open an account directly with us, you will be giving us some non-public information about yourself. The non-public information we collect about you is:

- *Information you give us on your application form.* This could include your name, address, telephone number, social security number, bank account number, and other information.
- *Information about your transactions with us, any transactions with our affiliates, and transactions with the entities we hire to provide services to you.* This would include information about the shares that you buy or redeem. If we hire someone else to provide services—like a transfer agent—we will also have information about the transactions that you conduct through them.

What information do we disclose and to whom do we disclose it?

We do not disclose any non-public personal information about our customers or former customers to anyone other than our affiliates, our service providers who need to know such information, and as otherwise permitted by law. If you want to find out what the law permits, you can read the privacy rules adopted by the Securities and Exchange Commission. They are in volume 17 of the Code of Federal Regulations, Part 248. The Commission often posts information about its regulations on its website, www.sec.gov.

What do we do to protect your personal information?

We restrict access to non-public personal information about you to the people who need to know that information in order to provide services to you or the fund and to ensure that we are complying with the laws governing the securities business. We maintain physical, electronic, and procedural safeguards to keep your personal information confidential.

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TETON WESTWOOD FUNDS

Average Annual Returns – September 30, 2017

Class AAA Shares (a)

	1 Year	5 Year	10 Year	15 Year	Since Inception	Gross Expense Ratio	Expense Ratio after Adviser Reimburse-ments	Maximum Sales Charge
Mighty Mites℠	24.42%	14.18%	9.33%	11.89%	11.81%	1.42%	1.42%	None
SmallCap Equity	23.10	14.27	7.42	9.94	8.05	1.79	1.25	None
Mid-Cap Equity	13.38	—	—	—	8.38	3.26	1.05	None
Convertible Securities	14.14	8.79	4.36	8.22	7.35	2.74	1.15	None
Equity	16.61	12.40	5.35	9.17	10.03	1.63	1.63	None
Balanced	10.34	8.17	4.79	7.06	8.37	1.35	1.35	None
Intermediate Bond	(1.18)	0.55	2.76	2.70	4.52	1.44	1.02	None

Class A Shares (a)(b)(c)

	1 Year	5 Year	10 Year	15 Year	Since Inception	Gross Expense Ratio	Expense Ratio after Adviser Reimburse-ments	Maximum Sales Charge
Mighty Mites℠	19.17%	12.97%	8.62%	11.34%	11.35%	1.67%	1.67%	4.00%
SmallCap Equity	17.86	13.08	6.73	9.39	7.67	2.04	1.50	4.00%
Mid-Cap Equity	8.55	—	—	—	7.09	3.44	1.30	4.00%
Convertible Securities	9.22	7.63	3.66	7.66	6.91	2.99	1.40	4.00%
Equity	11.60	11.22	4.66	8.60	9.66	1.88	1.88	4.00%
Balanced	5.76	7.03	4.10	6.51	7.93	1.60	1.60	4.00%
Intermediate Bond	(5.28)	(0.37)	2.22	2.31	4.28	1.54	1.12	4.00%

Class C Shares (a)(c)(d)

	1 Year	5 Year	10 Year	15 Year	Since Inception	Gross Expense Ratio	Expense Ratio after Adviser Reimburse-ments	Maximum Sales Charge
Mighty Mites℠	22.52%	13.33%	8.52%	11.07%	11.12%	2.17%	2.17%	1.00%
SmallCap Equity	21.24	13.44	6.63	9.04	7.39	2.54	2.00	1.00
Mid-Cap Equity	11.51	—	—	—	7.58	3.98	1.80	1.00
Convertible Securities	12.26	7.99	3.57	7.48	6.78	3.49	1.90	1.00
Equity	14.72	11.57	4.56	8.35	9.53	2.38	2.38	1.00
Balanced	8.62	7.39	4.02	6.27	7.80	2.10	2.10	1.00
Intermediate Bond	(2.93)	(0.21)	1.99	1.95	4.04	2.19	1.77	1.00

Class I Shares (a)(c)

	1 Year	5 Year	10 Year	15 Year	Since Inception	Gross Expense Ratio	Expense Ratio after Adviser Reimburse-ments	Maximum Sales Charge
Mighty Mites℠	24.74%	14.46%	9.60%	12.07%	11.95%	1.17%	1.17%	None
SmallCap Equity	23.40	14.58	7.69	10.12	8.18	1.54	1.00	None
Mid-Cap Equity	13.67	—	—	—	8.71	3.00	0.80	None
Convertible Securities	14.50	9.08	4.61	8.40	7.48	2.49	0.90	None
Equity	16.85	12.64	5.59	9.33	10.12	1.38	1.38	None
Balanced	10.72	8.43	5.05	7.23	8.47	1.10	1.10	None
Intermediate Bond	(1.02)	0.80	2.99	2.86	4.61	1.19	0.77	None

Class T Shares (a)(c)(e)

	1 Year	5 Year	10 Year	15 Year	Since Inception	Gross Expense Ratio	Expense Ratio after Adviser Reimburse-ments	Maximum Sales Charge
Mighty Mites℠	21.31%	13.60%	9.06%	11.71%	11.66%	1.42%	1.42%	2.50%
SmallCap Equity	20.02	13.70	7.15	9.75	7.63	1.79	1.25	2.50
Mid-Cap Equity	—	—	—	—	—	—	—	—
Convertible Securities	—	—	—	—	—	—	—	—
Equity	—	—	—	—	—	—	—	—
Balanced	—	—	—	—	—	—	—	—
Intermediate Bond	—	—	—	—	—	—	—	—

(a) *Returns represent past performance and do not guarantee future results. Total returns and average annual returns reflect changes in share price, reinvestment of distributions, and are net of expenses. Investment returns and the principal value of an investment will fluctuate. When shares are redeemed, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Visit www.tetonadv.com for performance information as of the most recent month end. For the SmallCap Equity, Mid-Cap Equity, Convertible Securities, and Intermediate Bond Funds (and for the Mighty Mites℠ Fund through September 30, 2005), Teton Advisors, Inc.,("the Adviser,") reimbursed expenses to limit the expense ratio. Had such limitations not been in place, returns would have been lower. The contractual expense limitations are in effect through January 31, 2018 and are renewable annually by the Adviser. The Funds, except for the Equity, Balanced, and Intermediate Bond Funds, imposes a 2.00% redemption fee on shares sold or exchanged within seven days after the date of purchase. Investors should carefully consider the investment objectives, risks, charges, and expenses of a Fund before investing. The prospectuses contains information about these and other matters and should be read carefully before investing. To obtain a prospectus, please visit our website at www.tetonadv.com.*

(b) Includes the effect of the maximum 4.00% sales charge at the beginning of the period.

(c) The performance of the Class AAA Shares is used to calculate performance for the periods prior to the issuance of Class A Shares, Class C Shares, Class I Shares, and Class T Shares, except for Mid-Cap Equity Fund whose performance for all share classes is based on the Fund's inception date of May 31, 2013. The performance for the Class A Shares, Class C Shares, and Class T Shares would have been lower due to the additional fees and expenses associated with these classes of shares. The performance for the Class I Shares would have been higher due to the lower expenses associated with this class of shares. The inception dates for the Class AAA Shares and the initial issuance dates for the Class A Shares, Class C Shares, Class I Shares, and Class T Shares after which shares remained continuously outstanding are listed above.

(d) Assuming payment of the 1.00% maximum contingent deferred sales charge imposed on redemptions made within one year of purchase.

(e) Includes the effect of the maximum 2.50% sales charge at the beginning of the period.

	Class AAA Shares	Class A Shares	Class C Shares	Class I Shares	Class T Shares
Mighty Mites℠	05/11/98	11/26/01	08/03/01	01/11/08	07/05/17
SmallCap Equity	04/15/97	11/26/01	11/26/01	01/11/08	07/05/17
Mid-Cap Equity	05/31/13	05/31/13	05/31/13	05/31/13	–
Convertible Securities	09/30/97	05/09/01	11/26/01	01/11/08	–
Equity	01/02/87	01/28/94	02/13/01	01/11/08	–
Balanced	10/01/91	04/06/93	09/25/01	01/11/08	–
Intermediate Bond	10/01/91	07/26/01	10/22/01	01/11/08	–

TETON WESTWOOD FUNDS

TETON Westwood Mighty Mites℠ Fund
TETON Westwood SmallCap Equity Fund
TETON Westwood Mid-Cap Equity Fund
TETON Convertible Securities Fund
TETON Westwood Equity Fund
TETON Westwood Balanced Fund
TETON Westwood Intermediate Bond Fund

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We have separated the portfolio managers' commentaries from the financial statements and investment portfolio due to corporate governance regulations stipulated by the Sarbanes-Oxley Act of 2002. We have done this to ensure that the content of the portfolio managers' commentaries is unrestricted. The financial statements and investment portfolio are mailed separately from the commentaries. Both the commentaries and the financial statements, including the portfolio of investments, are available on our website at www.tetonadv.com.

This report is submitted for the information of the shareholders of the TETON Westwood Funds. It is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.

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