

The GAMCO Growth Fund

Shareholder Commentary December 31, 2017



Howard F. Ward, CFA
Portfolio Manager

To Our Shareholders,

Thank you for your investment in the GAMCO Growth Fund.

For the quarter ended December 31, 2017, the net asset value (“NAV”) per Class I Share of The GAMCO Growth Fund increased 8.4% compared with increases of 6.6% and 7.9% for the Standard & Poor’s (“S&P”) 500 Index and the Russell 1000 Growth Index, respectively. See page 2 for additional performance information.

It’s a familiar refrain. Stocks rose last quarter – the ninth consecutive quarterly gain – on the back of rising earnings, continued low interest rates and better than expected growth in Europe and Asia. Adding some torque to the market’s advance was enthusiasm over the tax reform package passed just before Christmas. The corporate tax cut element of this package will boost earnings by several percentage points in 2018. With the new cap on the SALT (state and local tax) deduction, not all individual tax payers will benefit, but the boost to earnings, incentives to invest (via full expensing of certain capital expenditures items) and repatriate foreign profits are likely to elevate the slope of trend line GDP growth, at least for a bit. Investors appear delighted with this fiscal policy cocktail as both the economy and stock market exited 2017 with substantial confidence and momentum.

The Economy

According to the Bloomberg Economic Survey, the consensus estimate for real GDP growth in 2018 is 2.6%. This compares to a likely growth rate of about 2.4% for 2017. Three months ago economists were expecting growth of 2.3% in 2018. I suspect the positive revision of expectations from 2.3% to 2.6% will be further elevated to a number closer to if not exceeding 3.0%. The likely boost to capital investment from tax reform is the primary factor responsible for our more optimistic view of 2018 growth, although wage and employment gains, along with the lower individual tax rates, will provide an assist to consumer spending as well. This does not mean to suggest we are on the cusp of returning to 3.0% or greater trend line growth. While a few quarters or a year at that level can be achieved with an important assist from tax reform, anything more requires a meaningful increase in productivity growth and that remains elusive.

Average Annual Returns through December 31, 2017 (a)

	Quarter	1 Year	3 Year	5 Year	10 Year	Since Inception (4/10/87)
Class I (GGCIX)	8.39%	29.83%	12.14%	15.82%	7.38%	10.33%
S&P 500 Index	6.64	21.83	11.41	15.79	8.50	9.91(b)
Russell 1000 Growth Index	7.86	30.21	13.79	17.33	10.00	9.58(b)
Class AAA (GABGX)	8.32	29.49	11.86	15.54	7.12	10.25
Class A (GGCAX)	8.34	29.51	11.87	15.54	7.12	10.25
With sales charge (c)	2.11	22.06	9.68	14.18	6.49	10.04
Class C (GGCCX)	8.12	28.53	11.02	14.67	6.31	9.87
With contingent deferred sales charge (d)	7.12	27.53	11.02	14.67	6.31	9.87
Class T (GGGTX)	8.32	29.47	11.85	15.53	7.12	10.25
With sales charge (e)	5.62	26.24	10.91	14.95	6.85	10.13

In the current prospectuses dated April 28, 2017, the expense ratios for Class AAA, A, C, I, and T Shares are 1.44%, 1.44%, 2.19%, 1.19%, and 1.44%, respectively. Class AAA and Class I Shares do not have a sales charge. The maximum sales charge for Class A Shares, Class C Shares, and Class T Shares is 5.75%, 1.00%, and 2.50%, respectively.

- (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.gabelli.com for performance information as of the most recent month end. 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.gabelli.com. The Class AAA Share NAVs are used to calculate performance for the periods prior to the issuance of Class A Shares and Class C Shares on December 31, 2003, Class I Shares on January 11, 2008, and Class T Shares on July 5, 2017. The actual performance of 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 actual performance of the Class I Shares would have been higher due to lower expenses related to this class 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 Russell 1000 Growth Index measures the performance of the large cap growth segment of the U.S. equity market. Dividends are considered reinvested. You cannot invest directly in an index.*
- (b) S&P 500 Index and Russell 1000 Growth Index since inception performance results are as of March 31, 1987.
- (c) Performance results include the effect of the maximum 5.75% sales charge at the beginning of the period.
- (d) Assuming payment of the 1% maximum CDSC imposed on redemptions made within one year of purchase.
- (e) Performance results include the effect of the maximum 2.50% sales charge at the beginning of the period.

We have separated the portfolio manager's commentary 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 manager's commentary is unrestricted. The financial statements and investment portfolio are mailed separately from the commentary. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at www.gabelli.com.

Current expectations for S&P earnings in 2018 are about \$148, up from \$146 last quarter. This compares to operating earnings of about \$134 in 2017 (still to be reported at this writing). Positive revisions to expectations are likely here too. A number higher than \$150 is not out of the question for 2018. So earnings growth this year of at least 10% is likely and 15% or more is doable. This level of earnings growth provides a tailwind for the economy, especially with new capital investment incentives. At 4.1%, the unemployment rate cannot be expected to drop much further. Given the low unemployment rate, annualized wage rate gains should accelerate to 3% and eventually 4%. Typical recessions – as if anything is typical anymore – are usually preceded by 4% gains in wages.

Given the economy's healthy trajectory, it is no surprise the Federal Reserve Board is expected to continue on its course to normalize interest rates. This involves raising short-term rates and shrinking their \$4.5 trillion balance sheet (a move now referred to as QT or quantitative tightening). The Federal Reserve is currently expected to raise rates three times in 2018, possibly four if the economy or inflation runs hot. The first increase is expected in March. The big unknown is at what interest rate level does the tension between stocks and bonds become too much? How high does the 10 year Treasury yield have to go before the stock market cries uncle? For the last four years the 10 year Treasury has mostly traded 2.0% to 2.6% yield band, has averaged 2.2% and is currently 2.5%.

At the end of 2013 when the 10 year yield briefly hit 3.0%, the forward PE (price to earnings ratio) on the S&P was about 15. It's about 18 now. Given continued ultra-low rates abroad (the German 10 year yields 0.40% and the Japanese version yields 0.05%), demand for Treasuries may keep a lid on the 10 year yield even as the Federal Reserve tightens in response to rising growth or inflation expectations.

The Markets

We must be skeptical of any attempt at precision forecasting as far as the stock market is concerned. That goes for my forecasts as well. While there is no doubting the stock market's momentum entering 2018, a 5% pullback could happen anytime. We are already at a record 14 months plus since the last 5% drop, an event that we usually see three times each year. The complacency exhibited by stocks over the past year is remarkable and should not be expected to continue. We still have not had as much as a 3% fall since before the 2016 election. Feeling good today, which we do, has little if any bearing on how we will feel in May or July, let alone November.

We must not lose sight of the historical nature of this bull market. This is the second longest bull market in history (and the 3rd longest economic expansion). If the market's advance continues into September, it will be the longest bull market in history, surpassing the roaring bull of 1990's fame (think dot com bubble). Slow and steady economic growth with historically low interest rates – engineered to a degree – has been the not so secret sauce of this bull market run. Is the market's slow and steady diet becoming not so slow? How long can we keep consumer price inflation in a bottle? Does financial asset inflation, which we have had aplenty, imply anything for consumer prices?

The S&P has returned 387% (price change plus reinvested dividends) since March 9, 2009. We have some concerns. The Federal Reserve is intent on removing liquidity from the economy and valuations are historically high unless we are at a “new normal” for interest rates and 10 year yields don’t go much above 3% (currently 2.5%). The total stock market capitalization as a percentage of GDP has only been higher in the dot com bubble that peaked in early 2000. Surely this is at least the top of the 8th inning for this gracefully aging bull market? Other major central banks are a step or two behind the Federal Reserve but for how long? How long until they are all in tightening mode?

The European Central Bank (ECB) has begun to reduce stimulus and the Bank of Japan (BOJ) is likely to follow suit before the year is out. Should yields rise overseas, as quantitative easing (QE) recedes, Treasuries may lose some appeal and pressure stocks. Trump talks tough on trade and may induce a trade war. Trump barks at North Korea and taunts them with the possibility of war. While the stock market has liked Trump’s deregulation and tax reform policies, it won’t like a trade war, let alone a shooting war with North Korea or anyone else.

Don’t forget the yield curve. Wall Streeters delight in sharing their yield curve insights. Should we view the ongoing flattening of the yield curve with alarm (the spread between 2 and 10 year Treasury yields has fallen from 291 basis points in 2010 to 50 basis points in early January)? Should the yield curve actually invert, which typically only happens prior to recession, alarms will ring on Wall Street. One does not take an inverted yield curve lightly, but we aren’t there yet. And then there is the Mueller investigation, which could represent a Black Swan of sorts and could lead to a Constitutional crisis. Such a crisis could be triggered by Trump himself should he fire Mueller or Deputy Attorney General Rod Rosenstein.

Portfolio Observations

We eliminated five holdings during the quarter and added two for a net reduction of three, making for 53 issues in the portfolio. We sold Avangrid and Next Era Energy to better prepare for higher interest rates as they are particularly sensitive to changes in rates. Celgene and Regeneron were sold to cut back on higher beta health care issues in what is likely to be a more difficult market environment this year. General Electric was sold when we determined a significant dividend cut was likely amid growing concern regarding the company’s earnings quality, a concern that grew during the quarter after the release of third quarter earnings.

We established new positions in Rockwell Automation (0.6% of net assets as of December 31, 2017) and Palo Alto Networks (0.2%). Rockwell is a leading supplier of products that are used in helping to run and manage highly automated factories. Based in Milwaukee, Rockwell received a takeover bid from Emerson Electric during the quarter which the company rejected. Palo Alto Networks, based in Santa Clara, is arguably the leading provider of cybersecurity software for the enterprise market. Cybersecurity software will be a fertile growth market for many years to come as threats from both state sponsored and private computer hackers continue to grow at a frightening pace.

We trimmed a number of positions with the largest reductions being in the shares of Bristol-Myers Squibb (0.4%), Comcast (1.6%) and PepsiCo (1.6%). We also increased a number of positions with the biggest increases being in the holdings of Disney (2.2%), Starbucks (2.0%), Home Depot (4.4%), First Republic Bank (1.0%) and UnitedHealth Group (4.9%).

At quarter's end we were overweight (relative to the Russell 1000 Growth Index) Health Care, Technology and Consumer Discretionary. We were underweight Consumer Staples, Energy, Materials, Producer Durables and Utilities. From a cyclical perspective, I regard our positioning as modestly defensive with respect to stock selection while maintaining what is essentially a fully invested position given our skepticism with respect to market timing.

Performance Commentary

Our relatively positive fourth quarter performance was driven by some of our largest holdings. Holdings with the most positive impact on performance for the quarter (based upon price change and the size of the holding) were, in order, Microsoft (5.9%), Amazon (4.8%), Apple (6.7%), Home Depot (4.4%), Adobe Systems (3.7%), UnitedHealth Group (4.9%), Alphabet (Google) (6.2%), Zoetis (3.3%), Boeing (2.1%), and MasterCard (3.9%). The largest detractors from performance were, in order, Celgene First Republic Bank (no longer held), Charter Communications (0.4%), Regeneron Pharmaceuticals (no longer held), Bristol-Myers Squibb (0.4%), Priceline (0.7%), GE (no longer held), Palo Alto Networks (0.2%), Applied Materials (0.7%), and Comcast (1.6%).

For the full year, the stocks with the most positive impact on performance were, in order, Facebook (6.0%), Apple (6.7%), Amazon (4.8%), Adobe Systems (3.7%), Microsoft (5.9%), Alphabet (Google) (6.2%), UnitedHealth Group (4.9%), MasterCard (3.9%), Home Depot (4.4%) and Zoetis (3.3%). It's the same list as for the quarter except for the substitution of Facebook for Boeing. Likewise, the most negative contributors for the year were, in order, AutoZone*, Celgene*, Palo Alto Networks (0.2%), Snap-On Incorporated*, GE*, Sabre Corporation*, O'Reilly Automotive*, EOG Resources*, First Republic Bank (1.0%), and Qualcomm Incorporated*.

In Conclusion

I have mixed emotions about this year. Both the economy and stock market enter the year with good momentum. Expectations are high, however, begging the question as to can they be met? The Fed is withdrawing liquidity and wants to normalize interest rates. It is hard to see price/earnings multiples expanding from already lofty levels while the Federal Reserve is slowly removing the punch bowl. Investors are on a tax cut high of sorts in early January. Earnings expectations have ratcheted higher, increasing the odds of disappointment. Market volatility has been historically low. We must believe volatility will rise. China's growth appears to be slowing. What are the implications for Japan, its largest trading partner? Has Europe's growth rate peaked? Can the reality of the tax package live up to its billing? What are the unintended consequences?

As good as investors feel today, I expect them to feel less good within six months. Will Trump's trade policy maneuvers hurt global growth and dampen investor sentiment? Protectionist measures, if enacted, are unlikely to achieve their desired ends because other countries retaliate. Am I being too downbeat? That's possible. I was surprised at the market's unrelenting rise last year. Maybe we are all underestimating the impact on growth from tax reform. It's possible the bull market rises through September, becoming the longest bull market in history. Maybe the Federal Reserve sees growth slowing and backs off.

*No longer held as of December 31, 2017

We will continue to manage the portfolio with a defensive growth tilt. We know we can't call the market with precision. We want you to understand our thinking on the major issues we expect to confront this year. History tells us we shouldn't actually feel relaxed about stocks when so many others feel good about them. In the context of what will be a nine year bull market come March, we know we are in the late innings. But in those late euphoric innings of a bull market, stocks can rise materially. A skeptic could fairly ask if last year was in fact the euphoric advance I speak of. The answer is yes but some will argue that it didn't meet the definition of a euphoric rise. I don't know, last year was the eighth year of a bull market and Boeing rose 90%, NVIDIA 81%, Amazon 55%, Facebook 53%, Alphabet 46%, MasterCard 46% and I could go on. This market doesn't owe us anything.

Our focus will be on our companies' earnings expectations both for 2018 and 2019, the direction and level of inflation and interest rates and the slope of the yield curve. At the risk of sounding repetitive, I want to thank you again for your investment in the Fund and wish you good health and higher stocks in 2018!

Let's Talk Stocks

The following are stock specifics on selected holdings of our Fund. Favorable earnings prospects do not necessarily translate into higher stock prices, but they do express a positive trend that we believe will develop over time. Individual securities mentioned are not necessarily representative of the entire portfolio. For the following holdings, the percentages of net assets, and their share prices are stated as of December 31, 2017.

Apple (6.7% of net assets as of December 31, 2017) (AAPL – \$169.23 – NASDAQ) designs computers, mobile phones and other hardware, along with personal and professional software. Apple inspired the digital music revolution with the iPod and iTunes, redefined the mobile phone with the iPhone and App Store, invented an entirely new category (tablets) with the iPad, and continues to be at the forefront of mobile technology with the Apple Watch, Apple Pay and Apple Music. Perhaps Apple's greatest innovation has been its integrated ecosystem, which retains customers and produces a "halo effect" for other Apple devices. At about 13% of total revenue, Apple's less cyclical Services business is growing ~20%, is accretive to margins, and the stock should command a higher multiple as Services becomes a bigger portion of overall revenue.

Alphabet (6.2%) (GOOG/GOOGL – \$1046.40/\$1053.40 – NASDAQ) is the parent company of Google, the world's leading Internet search engine. The company benefits from a powerful competitive moat in one of the best secular markets, digital advertising, in which Google maintains ~45% market share. The company generates revenue by providing advertisers the opportunity to deliver targeted and measurable advertising. Alphabet's healthy core search business has allowed the company to pursue new market opportunities such as streaming video (YouTube Red), life sciences (Verily), autonomous driving (Waymo) and a variety of other "moonshot" projects.

Facebook Inc.'s (6.0%) (FB – \$176.46 – NASDAQ) mission is to give people the power to share and make the world more open and connected. Facebook's unique cache of user profiles creates a powerful targeted advertising platform. As of September 30, 2017, Facebook had 2.1 billion monthly active users (MAUs) worldwide. Facebook continues to grow its worldwide user base at a mid-teens rate, largely driven by the proliferation of mobile devices in the emerging markets. Users are spending more time on the platform, driven

largely by the recent emphasis on video. Facebook is able to drive pricing power by continuously improving the effectiveness of its ads. Meanwhile, there remains runway to further monetize Facebook properties Instagram, Messenger and WhatsApp.

Microsoft (5.9%) (MSFT – \$85.54 – NASDAQ) is the world's largest software company and develops software products for computing devices ranging from PC's to servers to its Xbox game console. Microsoft is transitioning into a subscription business with high recurring revenue. The transition from Office to cloud-based Office 365 is resulting in user base growth and per user pricing lift. Microsoft's Azure is emerging as a rapidly growing public cloud winner behind Amazon's AWS. The recent acquisition of LinkedIn will allow Microsoft to integrate data from LinkedIn's economic graph with Microsoft's professional cloud.

UnitedHealth Group (4.9%) (UNH – \$220.46 – NYSE) is one of the largest and most diversified managed care companies in the United States. Its high growth Optum services business provides wellness and care management programs, financial services, information technology solutions and pharmacy benefit management (PBM) services to an additional 115 million customers.

Amazon.com (4.8%) (AMZN – \$1169.47 – NASDAQ) launched in 1995 as an online book retailer and has evolved into a dominant e-commerce platform and public cloud provider. Amazon's competitive advantage within e-commerce is Amazon Prime, which benefits from a virtuous cycle as the continuously expanding selection of inventory drives traffic, which attracts more sellers, who add yet more selection. Amazon continues to invest in the Prime value proposition (free and faster shipping, free video and music streaming, libraries of free books and magazines, and a host of other benefits). Prime members spend more than non-Prime customers and their purchasing volume tends to increase over time. In addition to its retailing operations, Amazon pioneered the concept of hyperscale public cloud with its Amazon Web Services (AWS) and continues to be the dominant market share leader within that rapidly growing industry. Amazon is benefitting from the secular trend of e-commerce (still only 12% of U.S. retail ex-gas, food and autos) and the transition from on-premise to public cloud data centers (only 10% of workloads have transition to the cloud).

Home Depot (4.4%) (HD – \$189.53 – NYSE) is the world's largest home improvement retailer with approximately 2,300 stores in North America. Home Depot is a best-in-class retail operator and continues to take market share from its chief competitor, Lowe's. Home Depot's addressable market includes the \$300 billion home improvement retail category, as well as the MRO and services markets which collectively result in a total \$550 billion total addressable U.S. market. Home Depot benefits from housing macro tailwinds, such as improving household formation and an aging U.S. housing stock. Home improvement remains a defensible category in the face of e-commerce disruption.

Mastercard (3.9%) (MA – \$151.36 – NYSE) operates a card payments network, connecting consumers, financial institutions, merchants, governments and businesses in more than 210 countries and territories. Mastercard benefits from the secular trend of cash-to-card conversion, the displacement of cash and checks with digital forms of payment. Global card payment penetration is only 42%, increasing 2 percentage points per year. Card payment penetration is substantially lower in emerging markets, such as Brazil (35%), Mexico (16%) and India (<10%).

Adobe Systems (3.7%) (ADBE – \$175.24 – NASDAQ) is the global leader in digital marketing and digital media solutions. Adobe has the most comprehensive end-to-end solution for digital marketing. Its tools allow customers to create digital content, deploy it across media and devices, and measure and optimize it over time. Adobe has successfully transitioned from a product-based desktop business to a cloud-based subscription business. Over 80% of total revenue is now recurring and that number is poised to climb higher as 7 million customers worldwide are yet to migrate. The demand for design capabilities is rising at a dramatic pace, as reflected in Adobe's large and growing total addressable market of \$64 billion in 2019.

Zoetis (3.3%) (ZTS – \$72.04 – NYSE) maintains a leadership position in animal health medicines and vaccines, with a focus on livestock and companion animals. Zoetis benefits from secular trends such as increasing animal protein consumption and rising standard of care for pets. Zoetis holds a unique position within the healthcare space as it has low exposure to third-party payers and generics.

January 26, 2018

Top Ten Holdings (Percent of Net Assets)
December 31, 2017

Apple Inc.	6.7%	Amazon.com Inc.	4.8%
Alphabet Inc.	6.2%	Home Depot Inc.	4.4%
Facebook Inc.	6.0%	Mastercard Inc.	3.9%
Microsoft Corp.	5.9%	Adobe Systems Inc.	3.7%
Unitedhealth Group Inc.	4.9%	Zoetis Inc.	3.3%

Note: The views expressed in this Shareholder Commentary reflect those of the Portfolio Manager only through the end of the period stated in this Shareholder Commentary. The Portfolio Manager's views are subject to change at any time based on market and other conditions. The information in this Portfolio Manager's Shareholder Commentary represents the opinions of the individual Portfolio Manager and is not intended to be a forecast of future events, a guarantee of future results, or investment advice. Views expressed are those of the Portfolio Manager and may differ from those of other portfolio managers or of the Firm as a whole. This Shareholder Commentary does not constitute an offer of any transaction in any securities. Any recommendation contained herein may not be suitable for all investors. Information contained in this Shareholder Commentary has been obtained from sources we believe to be reliable, but cannot be guaranteed.

Minimum Initial Investment – \$1,000

The Fund's minimum initial investment for regular accounts is \$1,000. There are no subsequent investment minimums. No initial minimum is required for those establishing an Automatic Investment Plan. Additionally, the Fund and other Gabelli/GAMCO Funds are available through the no-transaction fee programs at many major brokerage firms. The Fund imposes a 2% redemption fee on shares sold or exchanged within seven days after the date of purchase. See the prospectuses for more details.

www.gabelli.com

Please visit us on the Internet. Our homepage at www.gabelli.com contains information about GAMCO Investors, Inc., the Gabelli/GAMCO 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@gabelli.com.

The Fund's daily NAVs 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.

You may sign up for our e-mail alerts at www.gabelli.com and receive early notice of quarterly report availability, news events, media sightings, and mutual fund prices and performance.

e-delivery

We are pleased to offer electronic delivery of Gabelli fund documents. Direct shareholders of our mutual funds can elect to receive their Annual and Semiannual Reports, Manager Commentaries, and Prospectuses via e-delivery. For more information or to sign up for e-delivery, please visit our website at www.gabelli.com.

Multi-Class Shares

The GAMCO Growth Fund began offering additional classes of Fund shares on December 31, 2003. Class AAA Shares are no-load shares offered directly through selected broker/dealers. Class A, Class C, and Class T Shares are targeted to the needs of investors who seek advice through financial consultants. Class I Shares are available directly through the Fund's distributor or brokers that have entered into selling agreements specifically with respect to Class I Shares. The Board of Directors determined that expanding the types of Fund shares available through various distribution options will enhance the ability of the Fund to attract additional investors.

Gabelli/GAMCO Funds and Your Personal Privacy

Who are we?

The Gabelli/GAMCO Funds are investment companies registered with the Securities and Exchange Commission under the Investment Company Act of 1940. We are managed by Gabelli Funds, LLC and GAMCO Asset Management Inc., which are affiliated with GAMCO Investors, Inc. GAMCO Investors, Inc. is a publicly held company that has subsidiaries and affiliates that provide investment advisory services for a variety of clients.

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.

THE GAMCO GROWTH FUND
One Corporate Center
Rye, NY 10580-1422

Portfolio Manager Biography

Howard F. Ward, CFA, joined Gabelli Funds in 1995 and currently serves as GAMCO's Chief Investment Officer of Growth Equities as well as a Gabelli Funds, LLC portfolio manager for several funds within the Gabelli/GAMCO Funds Complex. Prior to joining Gabelli, Mr. Ward served as Managing Director and Lead Portfolio Manager for several Scudder mutual funds. He also was the Investment Officer in the Institutional Investment Department with Brown Brothers, Harriman & Co. for four years. Mr. Ward received his B.A. in Economics from Northwestern University.

THE GAMCO GROWTH FUND

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Net Asset Value per share available daily
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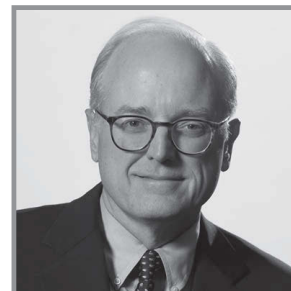
THE GAMCO GROWTH FUND

Shareholder Commentary
December 31, 2017

This report is submitted for the general information of the shareholders of The GAMCO Growth Fund. It is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.

The GAMCO Growth Fund

Annual Report — December 31, 2017



Howard F. Ward, CFA
Portfolio Manager

To Our Shareholders,

For the year ended December 31, 2017, the net asset value (“NAV”) per Class I Share of The GAMCO Growth Fund increased 29.8% compared with increases of 21.8% and 30.2% for the Standard & Poor’s (“S&P”) 500 Index and the Russell 1000 Growth Index, respectively. Other classes of shares are available. See page 3 for performance information for all classes of shares.

Enclosed are the financial statements, including the schedule of investments, as of December 31, 2017.

Performance Discussion (Unaudited)

The Fund’s investment objective is to provide capital appreciation. The Fund’s secondary objective is to produce current income.

The Fund’s investment strategy is to invest in common stocks. The Fund may also invest in foreign securities. The Fund focuses on securities of companies which appear to have favorable, yet undervalued, prospects for earnings growth and price appreciation. The Fund’s investment adviser, Gabelli Funds, LLC (the “Adviser”), invests the Fund’s assets in companies which the portfolio manager believes have above average or expanding market shares, profit margins, and returns on equity.

The Adviser uses fundamental security analysis to develop earnings forecasts for companies and to identify investment opportunities. The Adviser bases its analysis on general economic and industry data provided by the U.S. government, various trade associations and other sources, and published corporate financial data such as annual reports, 10-Ks, and quarterly statements as well as direct interviews with company management. Generally, the Adviser makes investment decisions first by looking at individual companies and then by scrutinizing their growth prospects in relation to their industries and the overall economy. The Adviser seeks to invest in companies with high future earnings potential relative to their current market valuations.

Wall Street’s bull market continued in the first quarter as investors celebrated the installment of a pro-business President. Consumer and CEO confidence soared as President Trump pledged to raise economic growth and create millions of new jobs. Large cap growth stocks were the best performers during the first quarter as the Russell 1000 Growth Index returned 8.9% vs. 6.1% for the S&P 500 and 2.5% for the Russell 2000 Index. The three top performing industry sectors were technology, health care, and consumer discretionary. It was the sixth quarter in a row of positive market returns.

In the second calendar quarter the stock market continued to trend higher, supported by continued low interest rates, better than expected earnings, and reasonably good global economic data. The market’s lack

of volatility was surprising given the escalation in tensions with North Korea and President Trump's slower than expected attention to important campaign promises. The Federal Reserve was in tightening mode, having raised rates four times since December of 2015, and has expressed interest in beginning the process of shrinking its balance sheet.

The third quarter of 2017 was fueled by low interest rates, improving earnings, and economic expansion in Europe and Asia. The stock market (S&P) continued its near historic advance, having booked gains for eight consecutive quarters. Equity prices were also bid up as investors pivoted their attention from health care to tax reform. Large cap growth stocks suffered from profit taking and sector rotation in September, limiting gains for the quarter. Smaller cap stocks and banks excelled as the so-called reflation trade returned with a vengeance. Investors priced in higher interest rates, which benefits financials, and a corporate tax cut, which benefits smaller companies disproportionately.

Stocks rose in the fourth quarter – the ninth consecutive quarterly gain - on the back of rising earnings, continued low interest rates, and better than expected growth in Europe and Asia. Adding some torque to the market's advance was enthusiasm over the tax reform package passed just before Christmas. With the loss of the SALT (state and local tax) deduction, not all individual tax payers will benefit, but the boost to earnings, incentives to invest (via full expensing of certain capital expenditures items) and repatriate foreign profits are to elevate the slope of trend line GDP growth, at least for a bit. All of these factors contributed to Fund performance.

A top contributor to performance in 2017 was Microsoft (5.9% of net assets as of December 31, 2017), the world's largest software company and a developer of software products for computing devices ranging from PCs to servers to its Xbox game console. Microsoft's Azure is a fast growing public cloud service that competes with Amazon's Web Services, Inc. The recent acquisition of LinkedIn will allow Microsoft to integrate data from LinkedIn with Microsoft's professional cloud. Another top performing holding was Amazon (4.8%), the preeminent e-commerce platform. Amazon's competitive advantage within e-commerce is Amazon Prime, which benefits from a virtuous cycle as the continuously expanding selection of inventory drives traffic, which attracts more sellers, who add yet more selection. Amazon continues to grow and is currently in the process of selecting a location for their second headquarters. Additionally, Apple (6.7%), an American multinational technology company headquartered in Cupertino, California that designs, develops, and sells consumer electronics and computer software, was a top contributor. Apple continues to dominate the mobile space with its iPhone, iPads, and App Store, and remains at the forefront of mobile technology with the Apple Watch 3, Apple Pay, and Apple Music. Perhaps Apple's greatest innovation has been its integrated ecosystem, which retains customers and produces a "halo effect" for other Apple devices.

Detractors from performance included Celgene (no longer held), an American biotechnology company that discovers, develops, and commercializes medicines for cancer and inflammatory disorders. The biotech industry struggled during the year. First Republic Bank (1.0%), an American bank and wealth management company offering personal banking, business banking, and trust and wealth management services, missed expectations, reporting negative earnings and left investors concerned about higher expenses and a decline in net interest margin. An additional detractor to performance was Charter Communications (0.4%), the second largest cable operator in the United States and a leading broadband communications services company. Charter provides video, Internet, and voice services to over 26 million residential and business customers. The stock underperformed the S&P and suffered from volatility and short selling.

Thank you for your investment in The GAMCO Growth Fund.

We appreciate your confidence and trust.

Comparative Results

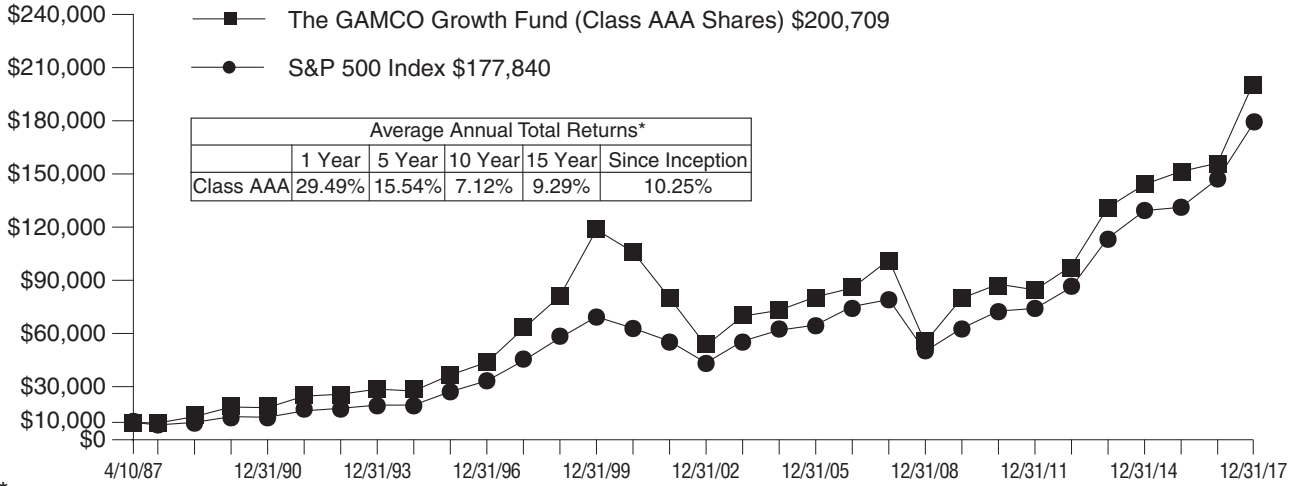
Average Annual Returns through December 31, 2017 (a) (Unaudited)

	1 Year	3 Year	5 Year	10 Year	15 Year	Since Inception (4/10/87)
Class I (GGCIX)	29.83%	12.14%	15.82%	7.38%	9.46%	10.33%
S&P 500 Index	21.83	11.41	15.79	8.50	9.92	9.91(b)
Russell 1000 Growth Index	30.21	13.79	17.33	10.00	10.70	9.58(b)
Class AAA (GABGX)	29.49	11.86	15.54	7.12	9.29	10.25
Class A (GGCAX)	29.51	11.87	15.54	7.12	9.29	10.25
With sales charge (c)	22.06	9.68	14.18	6.49	8.88	10.04
Class C (GGCCX)	28.53	11.02	14.67	6.31	8.52	9.87
With contingent deferred sales charge (d)	27.53	11.02	14.67	6.31	8.52	9.87
Class T (GGGTX)	29.47	11.85	15.53	7.12	9.28	10.25
With sales charge (e)	26.24	10.91	14.95	6.85	9.10	10.13

In the current prospectuses dated April 28, 2017, the expense ratios for Class AAA, A, C, I, and T Shares are 1.44%, 1.44%, 2.19%, 1.19%, and 1.44%, respectively. See page 10 for the expense ratios for the year ended December 31, 2017. Class AAA and Class I Shares do not have a sales charge. The maximum sales charge for Class A, Class C, and Class T Shares is 5.75%, 1.00%, and 2.50%, respectively.

- (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.gabelli.com for performance information as of the most recent month end. The Fund imposes a 2% redemption fee on shares sold or exchanged within seven days of purchase. 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.gabelli.com. The Class AAA Share NAVs are used to calculate performance for the periods prior to the issuance of Class A Shares and Class C Shares on December 31, 2003, Class I Shares on January 11, 2008, and Class T Shares on July 5, 2017. The actual performance of 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 actual performance of the Class I Shares would have been higher due to lower expenses related to this class 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 Russell 1000 Growth Index measures the performance of the large cap growth segment of the U.S. equity market. Dividends are considered reinvested. You cannot invest directly in an index.
- (b) S&P 500 Index and Russell 1000 Growth Index since inception performance results are as of March 31, 1987.
- (c) Performance results include the effect of the maximum 5.75% sales charge at the beginning of the period.
- (d) Assuming payment of the 1% maximum contingent deferred sales charge imposed on redemptions made within one year of purchase.
- (e) Performance results include the effect of the maximum 2.50% sales charge at the beginning of the period.

**COMPARISON OF CHANGE IN VALUE OF A \$10,000 INVESTMENT IN
THE GAMCO GROWTH FUND (CLASS AAA SHARES) AND S&P 500 INDEX (Unaudited)**



* Past performance is not predictive of future results. The performance tables and graph do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

The GAMCO Growth Fund Disclosure of Fund Expenses (Unaudited)

For the Six Month Period from July 1, 2017 through December 31, 2017

Expense Table

We believe it is important for you to understand the impact of fees and expenses regarding your investment. All mutual funds have operating expenses. As a shareholder of a fund, you incur ongoing costs, which include costs for portfolio management, administrative services, and shareholder reports (like this one), among others. Operating expenses, which are deducted from a fund's gross income, directly reduce the investment return of a fund. When a fund's expenses are expressed as a percentage of its average net assets, this figure is known as the expense ratio. The following examples are intended to help you understand the ongoing costs (in dollars) of investing in your Fund and to compare these costs with those of other mutual funds. The examples are based on an investment of \$1,000 made at the beginning of the period shown and held for the entire period.

The Expense Table below illustrates your Fund's costs in two ways:

Actual Fund Return: This section provides information about actual account values and actual expenses. You may use this section to help you to estimate the actual expenses that you paid over the period after any fee waivers and expense reimbursements. The "Ending Account Value" shown is derived from the Fund's **actual** return during the past six months, and the "Expenses Paid During Period" shows the dollar amount that would have been paid by an investor who started with \$1,000 in the Fund. You may use this information, together with the amount you invested, to estimate the expenses that you paid over the period.

To do so, simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number given for your Fund under the heading "Expenses Paid During Period" to estimate the expenses you paid during this period.

Hypothetical 5% Return: This section provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio. It assumes a hypothetical annualized return of 5% before expenses during the period shown. In this

case – because the hypothetical return used is **not** the Fund's actual return – the results do not apply to your investment and you cannot use the hypothetical account value and expense to estimate the actual ending account balance or expenses you paid for the period. This example is useful in making comparisons of the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs such as sales charges (loads), redemption fees, or exchange fees, if any, which are described in the Prospectus. If these costs were applied to your account, your costs would be higher. Therefore, the 5% hypothetical return is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. The "Annualized Expense Ratio" represents the actual expenses for the last six months and may be different from the expense ratio in the Financial Highlights which is for the year ended December 31, 2017.

	Beginning Account Value 07/01/17	Ending Account Value 12/31/17	Annualized Expense Ratio	Expenses Paid During Period*
The GAMCO Growth Fund				
Actual Fund Return				
Class AAA	\$1,000.00	\$1,131.60	1.40%	\$ 7.52
Class A	\$1,000.00	\$1,131.80	1.40%	\$ 7.52
Class C	\$1,000.00	\$1,127.40	2.15%	\$11.53
Class I	\$1,000.00	\$1,133.10	1.15%	\$ 6.18
Class T**	\$1,000.00	\$1,137.00	1.41%	\$ 7.43
Hypothetical 5% Return				
Class AAA	\$1,000.00	\$1,018.15	1.40%	\$ 7.12
Class A	\$1,000.00	\$1,018.15	1.40%	\$ 7.12
Class C	\$1,000.00	\$1,014.37	2.15%	\$10.92
Class I	\$1,000.00	\$1,019.41	1.15%	\$ 5.85
Class T	\$1,000.00	\$1,018.10	1.41%	\$ 7.17

* Expenses are equal to the Fund's annualized expense ratio for the last six months multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half year (184 days), then divided by 365.

** Class T Shares use a beginning account value date of 07/05/17, and Class T Share expenses are equal to the Fund's annualized expense ratio for the period since inception multiplied by the number of days since inception (180 days), then divided by 365.

Summary of Portfolio Holdings (Unaudited)

The following table presents portfolio holdings as a percent of net assets as of December 31, 2017:

The GAMCO Growth Fund

Technology - Computer Software and Services.....	22.5%	Producer Durables.....	8.7%
Health Care.....	19.3%	Consumer Discretionary - Media ...	4.2%
Financial Services.....	15.9%	Materials and Processing.....	2.3%
Consumer Discretionary - Other....	14.5%	Consumer Staples.....	2.1%
Technology - Computer Technology, Semiconductors, and Components.....	10.3%	U.S. Government Obligations.....	0.3%
		Other Assets and Liabilities (Net)...	<u>(0.1)%</u>
			<u>100.0%</u>

The Fund files a complete schedule of portfolio holdings with the Securities and Exchange Commission (the "SEC") for the first and third quarters of each fiscal year on Form N-Q. Shareholders may obtain this information at www.gabelli.com or by calling the Fund at 800-GABELLI (800-422-3554). The Fund's Form N-Q is available on the SEC's website at www.sec.gov and may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling 800-SEC-0330.

Proxy Voting

The Fund files Form N-PX with its complete proxy voting record for the twelve months ended June 30, no later than August 31 of each year. A description of the Fund's proxy voting policies, procedures, and how the Fund voted proxies relating to portfolio securities is available without charge, upon request, by (i) calling 800-GABELLI (800-422-3554); (ii) writing to The Gabelli Funds at One Corporate Center, Rye, NY 10580-1422; or (iii) visiting the SEC's website at www.sec.gov.

The GAMCO Growth Fund

Statement of Assets and Liabilities December 31, 2017

Assets:	
Investments, at value (cost \$369,400,612)	\$608,604,489
Cash	2,087
Receivable for Fund shares sold	565,777
Dividends receivable	353,304
Prepaid expenses	36,716
Other receivables	24,518
Total Assets	<u>\$609,586,891</u>
Liabilities:	
Payable for Fund shares redeemed	445,494
Payable for investment advisory fees	519,981
Payable for distribution fees	120,646
Payable for accounting fees	3,750
Payable for shareholder services fees	104,953
Other accrued expenses	124,623
Total Liabilities	<u>\$1,319,447</u>
Net Assets	
(applicable to 10,709,220 shares outstanding)	<u>\$608,267,444</u>
Net Assets Consist of:	
Paid-in capital	\$367,851,709
Accumulated net realized gains on investments and foreign currency transactions	1,210,153
Net unrealized appreciation on investments	239,203,877
Net unrealized appreciation on foreign currency translations	1,705
Net Assets	<u>\$608,267,444</u>
Shares of Beneficial Interest, each at \$0.01 par value; unlimited number of shares authorized:	
Class AAA:	
Net Asset Value, offering, and redemption price per share (\$550,300,254 ÷ 9,698,983 shares outstanding)	<u>\$56.74</u>
Class A:	
Net Asset Value and redemption price per share (\$3,448,606 ÷ 60,761 shares outstanding)	<u>\$56.76</u>
Maximum offering price per share (NAV ÷ 0.9425, based on maximum sales charge of 5.75% of the offering price)	<u>\$60.22</u>
Class C:	
Net Asset Value and offering price per share (\$2,714,614 ÷ 54,266 shares outstanding)	<u>\$50.02(a)</u>
Class I:	
Net Asset Value, offering, and redemption price per share (\$51,802,833 ÷ 895,190 shares outstanding)	<u>\$57.87</u>
Class T:	
Net Asset Value and redemption price per share (\$1,136.91 ÷ 20.04 shares outstanding; shares authorized)	<u>\$56.73</u>
Maximum offering price per share (NAV ÷ 0.975, based on maximum sales charge of 2.50% of the offering price)	<u>\$58.18</u>

(a) Redemption price varies based on the length of time held.

Statement of Operations For the Year Ended December 31, 2017

Investment Income:	
Dividends	\$ 7,031,284
Interest	52,776
Other income*	387
Total Investment Income	<u>7,084,447</u>
Expenses:	
Investment advisory fees	5,621,350
Distribution fees - Class AAA	1,278,484
Distribution fees - Class A	8,347
Distribution fees - Class C	21,819
Distribution fees - Class T	1
Shareholder services fees	438,861
Trustees' fees	128,349
Shareholder communications expenses	122,422
Registration expenses	62,387
Accounting fees	45,000
Legal and audit fees	41,151
Custodian fees	37,595
Interest expense	143
Miscellaneous expenses	40,913
Total Expenses	<u>7,846,822</u>
Less:	
Expenses paid indirectly by broker (See Note 6)	<u>(4,754)</u>
Net Expenses	<u>7,842,068</u>
Net Investment Loss	<u>(757,621)</u>
Net Realized and Unrealized Gain/(Loss) on Investments and Foreign Currency:	
Net realized gain on investments	38,837,420
Net realized loss on foreign currency transactions	<u>(10,251)</u>
Net realized gain on investments and foreign currency transactions	<u>38,827,169</u>
Net change in unrealized appreciation/depreciation: on investments	105,781,710
on foreign currency translations	<u>17,329</u>
Net change in unrealized appreciation/ depreciation on investments and foreign currency translations	<u>105,799,039</u>
Net Realized and Unrealized Gain/(Loss) on Investments and Foreign Currency	<u>144,626,208</u>
Net Increase in Net Assets Resulting from Operations	<u>\$143,868,587</u>

* The Fund received a reimbursement of custody expenses paid in prior years.

See accompanying notes to financial statements.

The GAMCO Growth Fund

Statement of Changes in Net Assets

	<u>Year Ended</u> <u>December 31, 2017</u>	<u>Year Ended</u> <u>December 31, 2016</u>
Operations:		
Net investment loss.....	\$ (757,621)	\$ (106,298)
Net realized gain on investments and foreign currency transactions	38,827,169	25,703,218
Net change in unrealized appreciation/depreciation on investments and foreign currency translations.....	<u>105,799,039</u>	<u>(11,573,884)</u>
Net Increase in Net Assets Resulting from Operations.....	<u>143,868,587</u>	<u>14,023,036</u>
Distributions to Shareholders:		
Net realized gain		
Class AAA.....	(32,729,163)	(22,539,442)
Class A	(189,723)	(151,817)
Class C	(177,657)	(96,726)
Class I	(3,020,357)	(1,777,606)
Class T	<u>(67)</u>	<u>—</u>
	<u>(36,116,967)</u>	<u>(24,565,591)</u>
Return of capital		
Class AAA.....	—	(232,833)
Class A	—	(1,568)
Class C	—	(999)
Class I	—	(18,363)
	<u>—</u>	<u>(253,763)</u>
Total Distributions to Shareholders	<u>(36,116,967)</u>	<u>(24,819,354)</u>
Shares of Beneficial Interest Transactions:		
Class AAA.....	(8,339,487)	(13,830,307)
Class A	(274,737)	(9,624)
Class C	580,734	(645,860)
Class I	6,401,302	2,028,373
Class T	<u>1,067</u>	<u>—</u>
Net Decrease in Net Assets from Shares of Beneficial Interest Transactions	<u>(1,631,121)</u>	<u>(12,457,418)</u>
Redemption Fees	<u>366</u>	<u>38</u>
Net Increase/(Decrease) in Net Assets	106,120,865	(23,253,698)
Net Assets:		
Beginning of year	<u>502,146,579</u>	<u>525,400,277</u>
End of year (including undistributed net investment income of \$0 and \$0, respectively)	<u>\$608,267,444</u>	<u>\$502,146,579</u>

See accompanying notes to financial statements.

The GAMCO Growth Fund

Financial Highlights

Selected data for a share of beneficial interest outstanding throughout each period:

Year Ended December 31	Income (Loss) from Investment Operations				Distributions			Ratios to Average Net Assets/ Supplemental Data						
	Net Asset Value Beginning of Year ^a	Net Investment Income (Loss) ^a	Net Unrealized Gain (Loss) on Investments	Total from Investment Operations	Net Realized Gain on Investments	Return of Capital	Total Distributions	Redemption Fees (a)(b)	Net Asset Value End of Year	Total Return ^c	Net Assets End of Year (in 000's)	Net Investment Income (Loss)	Operating Expenses	Portfolio Turnover Rate
Class AAA														
2017	\$46.56	\$(0.08)	\$13.82	\$13.74	\$(3.56)	—	\$(3.56)	\$0.00	\$56.74	29.5%	\$550,300	(0.15)%	1.41%(c)	50%
2016	47.60	(0.02)	1.39	1.37	(2.38)	\$(0.03)	(2.41)	0.00	46.56	2.8	460,437	(0.04)	1.44(c)(d)	52
2015	48.93	(0.05)	2.62	2.57	(3.90)	—	(3.90)	0.00	47.60	5.1	484,320	(0.11)	1.43(c)	40
2014	46.62	(0.06)	4.66	4.60	(2.29)	—	(2.29)	0.00	48.93	9.8	514,214	(0.13)	1.43	34
2013	34.81	0.01	11.81	11.82	—	—	(0.01)	0.00	46.62	34.0	505,727	0.02	1.45	35
Class A														
2017	\$46.57	\$(0.08)	\$13.83	\$13.75	\$(3.56)	—	\$(3.56)	\$0.00	\$56.76	29.5%	\$ 3,448	(0.15)%	1.41%(c)	50%
2016	47.61	(0.02)	1.39	1.37	(2.38)	\$(0.03)	(2.41)	0.00	46.57	2.8	3,066	(0.03)	1.44(c)(d)	52
2015	48.93	(0.05)	2.63	2.58	(3.90)	—	(3.90)	0.00	47.61	5.1	3,120	(0.10)	1.43(c)	40
2014	46.62	(0.06)	4.66	4.60	(2.29)	—	(2.29)	0.00	48.93	9.8	1,626	(0.13)	1.43	34
2013	34.82	0.01	11.82	11.83	—	—	(0.02)	0.00	46.62	34.0	1,355	0.01	1.45	35
Class C														
2017	\$41.68	\$(0.44)	\$12.34	\$11.90	\$(3.56)	—	\$(3.56)	\$0.00	\$50.02	28.5%	\$ 2,715	(0.90)%	2.16%(c)	50%
2016	43.18	(0.35)	1.26	0.91	(2.38)	\$(0.03)	(2.41)	0.00	41.68	2.1	1,778	(0.81)	2.19(c)(d)	52
2015	45.06	(0.40)	2.42	2.02	(3.90)	—	(3.90)	0.00	43.18	4.3	2,476	(0.86)	2.18(c)	40
2014	43.42	(0.39)	4.32	3.93	(2.29)	—	(2.29)	0.00	45.06	9.0	1,438	(0.87)	2.18	34
2013	32.66	(0.27)	11.03	10.76	—	—	—	0.00	43.42	33.0	1,221	(0.73)	2.20	35
Class I														
2017	\$47.31	\$ 0.06	\$14.06	\$14.12	\$(3.56)	—	\$(3.56)	\$0.00	\$57.87	29.8%	\$ 51,803	0.10%	1.16%(c)	50%
2016	48.22	0.11	1.39	1.50	(2.38)	\$(0.03)	(2.41)	0.00	47.31	3.1	36,866	0.22	1.19(c)(d)	52
2015	49.39	0.07	2.66	2.73	(3.90)	—	(3.90)	0.00	48.22	5.4	35,484	0.14	1.17(c)	40
2014	46.92	0.06	4.70	4.76	(2.29)	—	(2.29)	0.00	49.39	10.1	16,336	0.11	1.18	34
2013	35.03	0.11	11.90	12.01	—	—	(0.12)	0.00	46.92	34.3	12,395	0.27	1.20	35
Class T(e)														
2017	\$53.02	\$(0.05)	\$ 7.32	\$ 7.27	\$(3.56)	—	\$(3.56)	—	\$56.73	13.7%	\$ 1	(0.19)(f)	1.41%(c)(f)	50%

† Total return represents aggregate total return of a hypothetical \$1,000 investment at the beginning of the period and sold at the end of the period including reinvestment of distributions and does not reflect applicable sales charges. Total return for a period of less than one year is not annualized.

(a) Per share amounts have been calculated using the average shares outstanding method.

(b) Amount represents less than \$0.005 per share.

(c) The Fund received credits from a designated broker who agreed to pay certain Fund operating expenses. For the years ended December 31, 2017, 2016, and 2015, there was no impact on the expense ratios.

(d) During the year ended December 31, 2016, the Fund received a reimbursement of custody expenses paid in prior years. Had such reimbursement (allocated by relative net asset values of the Fund's share classes) been included in this period, the annualized expense ratios would have been 1.33% (Class AAA), 1.35% (Class A), 2.09% (Class C), and 1.07% (Class I).

(e) Class T Shares were initially offered on July 5, 2017.

(f) Annualized.

See accompanying notes to financial statements.

The GAMCO Growth Fund

Notes to Financial Statements

1. Organization. The GAMCO Growth Fund was organized on October 24, 1986 as a Massachusetts business trust and commenced investment operations on April 10, 1987. On July 5, 2017, the Fund began to offer for sale Class T Shares. The Fund is a diversified open-end management investment company registered under the Investment Company Act of 1940, as amended (the “1940 Act”). The Fund’s primary objective is capital appreciation.

2. Significant Accounting Policies. As an investment company, the Fund follows the investment company accounting and reporting guidance, which is part of U.S. generally accepted accounting principles (“GAAP”) that may require the use of management estimates and assumptions in the preparation of its financial statements. Actual results could differ from those estimates. The following is a summary of significant accounting policies followed by the Fund in the preparation of its financial statements.

Security Valuation. Portfolio securities listed or traded on a nationally recognized securities exchange or traded in the U.S. over-the-counter market for which market quotations are readily available are valued at the last quoted sale price or a market’s official closing price as of the close of business on the day the securities are being valued. If there were no sales that day, the security is valued at the average of the closing bid and asked prices or, if there were no asked prices quoted on that day, then the security is valued at the closing bid price on that day. If no bid or asked prices are quoted on such day, the security is valued at the most recently available price or, if the Board of Trustees (the “Board”) so determines, by such other method as the Board shall determine in good faith to reflect its fair market value. Portfolio securities traded on more than one national securities exchange or market are valued according to the broadest and most representative market, as determined by Gabelli Funds, LLC (the “Adviser”).

Portfolio securities primarily traded on a foreign market are generally valued at the preceding closing values of such securities on the relevant market, but may be fair valued pursuant to procedures established by the Board if market conditions change significantly after the close of the foreign market, but prior to the close of business on the day the securities are being valued. Debt obligations for which market quotations are readily available are valued at the average of the latest bid and asked prices. If there were no asked prices quoted on such day, the security is valued using the closing bid price, unless the Board determines such amount does not reflect the securities’ fair value, in which case these securities will be fair valued as determined by the Board. Certain securities are valued principally using dealer quotations. Futures contracts are valued at the closing settlement price of the exchange or board of trade on which the applicable contract is traded. OTC futures and options on futures for which market quotations are readily available will be valued by quotations received from a pricing service or, if no quotations are available from a pricing service, by quotations obtained from one or more dealers in the instrument in question by the Adviser.

Securities and assets for which market quotations are not readily available are fair valued as determined by the Board. Fair valuation methodologies and procedures may include, but are not limited to: analysis and review of available financial and non-financial information about the company; comparisons with the valuation and changes in valuation of similar securities, including a comparison of foreign securities with the equivalent U.S. dollar value American Depositary Receipt securities at the close of the U.S. exchange; and evaluation of any other information that could be indicative of the value of the security.

The GAMCO Growth Fund

Notes to Financial Statements (Continued)

The inputs and valuation techniques used to measure fair value of the Fund's investments are summarized into three levels as described in the hierarchy below:

- Level 1 — quoted prices in active markets for identical securities;
- Level 2 — other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.); and
- Level 3 — significant unobservable inputs (including the Board's determinations as to the fair value of investments).

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input both individually and in the aggregate that is significant to the fair value measurement. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of the Fund's investments in securities by inputs used to value the Fund's investments as of December 31, 2017 is as follows:

<u>Valuation Inputs*</u>	<u>Investments in Securities (Market Value)</u>
Level 1 - Quoted Prices	\$606,838,262
Level 2 - Other Significant Observable Inputs	1,766,227
Total	<u>\$608,604,489</u>

* Portfolio holdings designated in Level 1 and Level 2 are disclosed individually in the Schedule of Investments ("SOI"). Please refer to the SOI for the industry classifications of these portfolio holdings. Level 1 consists of Common Stocks. Level 2 consists of U.S. Government Obligations.

The Fund did not have transfers between Level 1 and Level 2 during the year ended December 31, 2017. The Fund's policy is to recognize transfers among Levels as of the beginning of the reporting period.

There were no Level 3 investments held at December 31, 2017 or December 31, 2016.

Additional Information to Evaluate Qualitative Information.

General. The Fund uses recognized industry pricing services – approved by the Board and unaffiliated with the Adviser – to value most of its securities, and uses broker quotes provided by market makers of securities not valued by these and other recognized pricing sources. Several different pricing feeds are received to value domestic equity securities, international equity securities, preferred equity securities, and fixed income securities. The data within these feeds are ultimately sourced from major stock exchanges and trading systems where these securities trade. The prices supplied by external sources are checked by obtaining quotations or actual transaction prices from market participants. If a price obtained from the pricing source is deemed unreliable, prices will be sought from another pricing service or from a broker/dealer that trades that security or similar securities.

Fair Valuation. Fair valued securities may be common or preferred equities, warrants, options, rights, or fixed income obligations. Where appropriate, Level 3 securities are those for which market quotations are not available, such as securities not traded for several days, or for which current bids are not available, or which are restricted as to transfer. Among the factors to be considered to fair value a security are recent prices of comparable securities that are publicly traded, reliable prices of securities not publicly traded, the use of valuation

The GAMCO Growth Fund

Notes to Financial Statements (Continued)

models, current analyst reports, valuing the income or cash flow of the issuer, or cost if the preceding factors do not apply. The circumstances of Level 3 securities are frequently monitored to determine if fair valuation measures continue to apply.

The Adviser reports quarterly to the Board the results of the application of fair valuation policies and procedures. These include back testing the prices realized in subsequent trades of these fair valued securities to fair values previously recognized.

Foreign Currency Translations. The books and records of the Fund are maintained in U.S. dollars. Foreign currencies, investments, and other assets and liabilities are translated into U.S. dollars at current exchange rates. Purchases and sales of investment securities, income, and expenses are translated at the exchange rate prevailing on the respective dates of such transactions. Unrealized gains and losses that result from changes in foreign exchange rates and/or changes in market prices of securities have been included in unrealized appreciation/depreciation on investments and foreign currency translations. Net realized foreign currency gains and losses resulting from changes in exchange rates include foreign currency gains and losses between trade date and settlement date on investment securities transactions, foreign currency transactions, and the difference between the amounts of interest and dividends recorded on the books of the Fund and the amounts actually received. The portion of foreign currency gains and losses related to fluctuation in exchange rates between the initial purchase trade date and subsequent sale trade date is included in realized gain/(loss) on investments.

Foreign Securities. The Fund may directly purchase securities of foreign issuers. Investing in securities of foreign issuers involves special risks not typically associated with investing in securities of U.S. issuers. The risks include possible revaluation of currencies, the inability to repatriate funds, less complete financial information about companies, and possible future adverse political and economic developments. Moreover, securities of many foreign issuers and their markets may be less liquid and their prices more volatile than of securities of comparable U.S. issuers.

Foreign Taxes. The Fund may be subject to foreign taxes on income, gains on investments, or currency repatriation, a portion of which may be recoverable. The Fund will accrue such taxes and recoveries as applicable, based upon its current interpretation of tax rules and regulations that exist in the markets in which it invests.

Securities Transactions and Investment Income. Securities transactions are accounted for on the trade date with realized gain/(loss) on investments determined by using the identified cost method. Interest income (including amortization of premium and accretion of discount) is recorded on an accrual basis. Premiums and discounts on debt securities are amortized using the effective yield to maturity method. Dividend income is recorded on the ex-dividend date, except for certain dividends from foreign securities that are recorded as soon after the ex-dividend date as the Fund becomes aware of such dividends.

Determination of Net Asset Value and Calculation of Expenses. Certain administrative expenses are common to, and allocated among, various affiliated funds. Such allocations are made on the basis of each fund's average net assets or other criteria directly affecting the expenses as determined by the Adviser pursuant to procedures established by the Board.

In calculating the NAV per share of each class, investment income, realized and unrealized gains and losses, redemption fees, and expenses other than class specific expenses are allocated daily to each class of shares

The GAMCO Growth Fund

Notes to Financial Statements (Continued)

based upon the proportion of net assets of each class at the beginning of each day. Distribution expenses are borne solely by the class incurring the expense.

Distributions to Shareholders. Distributions to shareholders are recorded on the ex-dividend date. Distributions to shareholders are based on income and capital gains as determined in accordance with federal income tax regulations, which may differ from income and capital gains as determined under GAAP. These differences are primarily due to differing treatments of income and gains on various investment securities held by the Fund and timing differences. These book/tax differences are either temporary or permanent in nature. To the extent these differences are permanent, adjustments are made to the appropriate capital accounts in the period when the differences arise. Permanent differences were primarily due to short term gains netted against current year net operating loss. These reclassifications have no impact on the NAV of the Fund. For the year ended December 31, 2017, reclassifications were made to decrease accumulated net investment loss by \$757,621 and decrease net realized gain on investments and foreign currency transactions by \$753,812 with an offsetting adjustment to paid-in capital.

The tax character of distributions paid during the years ended December 31, 2017 and 2016 was as follows:

	<u>Year Ended</u> <u>December 31, 2017</u>	<u>Year Ended</u> <u>December 31, 2016</u>
Distributions paid from:		
Ordinary income (inclusive of short term capital gains)	\$ 679,692	—
Net long term capital gains	35,437,275	\$24,565,591
Return of capital	—	253,763
Total distributions paid	<u>\$36,116,967</u>	<u>\$24,819,354</u>

Provision for Income Taxes. The Fund intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended (the “Code”). It is the policy of the Fund to comply with the requirements of the Code applicable to regulated investment companies and to distribute substantially all of its net investment company taxable income and net capital gains. Therefore, no provision for federal income taxes is required.

As of December 31, 2017, the components of accumulated earnings/losses on a tax basis were as follows:

Undistributed long term capital gains	\$ 1,335,445
Net unrealized appreciation on investments and foreign currency translations	<u>239,080,290</u>
Total	<u>\$240,415,735</u>

As of December 31, 2017, the differences between book basis and tax basis unrealized appreciation were primarily due to deferral of losses from wash sales for tax purposes.

The GAMCO Growth Fund

Notes to Financial Statements (Continued)

The following summarizes the tax cost of investments and the related net unrealized appreciation at December 31, 2017:

	<u>Cost</u>	<u>Gross Unrealized Appreciation</u>	<u>Gross Unrealized Depreciation</u>	<u>Net Unrealized Appreciation</u>
Investments	\$369,525,904	\$239,342,875	\$(264,290)	\$239,078,585

The Fund is required to evaluate tax positions taken or expected to be taken in the course of preparing the Fund's tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. Income tax and related interest and penalties would be recognized by the Fund as tax expense in the Statement of Operations if the tax positions were deemed not to meet the more-likely-than-not threshold. During the year ended December 31, 2017, the Fund recognized \$24,518 in income tax, interest, or penalties. As of December 31, 2017, the Adviser has reviewed all open tax years and concluded that there was no impact to the Fund's net assets or results of operations. The Fund's federal and state tax returns for the prior three fiscal years remain open, subject to examination. On an ongoing basis, the Adviser will monitor the Fund's tax positions to determine if adjustments to this conclusion are necessary.

3. Investment Advisory Agreement and Other Transactions. The Fund has entered into an investment advisory agreement (the "Advisory Agreement") with the Adviser which provides that the Fund will pay the Adviser a fee, computed daily and paid monthly, at the annual rate of 1.00% of the value of its average daily net assets. In accordance with the Advisory Agreement, the Adviser provides a continuous investment program for the Fund's portfolio, oversees the administration of all aspects of the Fund's business and affairs, and pays the compensation of all Officers and Trustees of the Fund who are affiliated persons of the Adviser.

The Fund pays each Trustee who is not considered an affiliated person an annual retainer of \$9,000 plus \$2,000 for each Board meeting attended. Each Trustee is reimbursed by the Fund for any out of pocket expenses incurred in attending meetings. All Board committee members receive \$500 per meeting attended. The Chairman of the Audit Committee and the Lead Trustee each receives an annual fee of \$2,000. The Chairman of the Proxy Voting Committee and Nominating Committee each receives a \$1,000 annual fee. A Trustee may receive a single meeting fee, allocated among the participating funds, for attending certain meetings held on behalf of multiple funds. Trustees who are directors or employees of the Adviser or an affiliated company receive no compensation or expense reimbursement from the Fund.

4. Distribution Plan. The Fund's Board has adopted a distribution plan (the "Plan") for each class of shares, except for Class I Shares, pursuant to Rule 12b-1 under the 1940 Act. Under the Class AAA, Class A, Class C, and Class T Share Plans, payments are authorized to G.distributors, LLC (the "Distributor"), an affiliate of the Adviser, at annual rates of 0.25%, 0.25%, 1.00%, and 0.25%, respectively, of the average daily net assets of those classes, the annual limitations under each Plan. Such payments are accrued daily and paid monthly.

5. Portfolio Securities. Purchases and sales of securities during the year ended December 31, 2017, other than short term securities and U.S. Government obligations, aggregated \$277,274,546 and \$312,128,851 respectively.

6. Transactions with Affiliates and Other Arrangements. During the year ended December 31, 2017, the Fund paid \$150 in brokerage commissions on security trades to G.research, LLC, an affiliate of the Adviser. Additionally, the Distributor retained a total of \$2,328 from investors representing commissions (sales charges and underwriting fees) on sales and redemptions of Fund shares.

The GAMCO Growth Fund

Notes to Financial Statements (Continued)

During the year ended December 31, 2017, the Fund received credits from a designated broker who agreed to pay certain Fund operating expenses. The amount of such expenses paid through this directed brokerage arrangement during this period was \$4,754.

The cost of calculating the Fund's NAV per share is a Fund expense pursuant to the Advisory Agreement. During the year ended December 31, 2017, the Fund paid or accrued \$45,000 to the Adviser in connection with the cost of computing the Fund's NAV.

7. Line of Credit. The Fund participates in an unsecured line of credit, which expires on March 8, 2018 and may be renewed annually, of up to \$75,000,000 under which it may borrow up to 10% of net assets from the custodian for temporary borrowing purposes. Borrowings under this arrangement bear interest at a floating rate equal to the higher of the overnight Federal Funds rate plus 125 basis points or the 30 day LIBOR plus 125 basis points in effect on that day. This amount, if any, would be included in "Interest expense" in the Statement of Operations. At December 31, 2017, there were no borrowings outstanding under the line of credit.

During the year ended December 31, 2017, the Fund had a one day borrowing of \$454,000 at an interest rate of 2.36%.

8. Shares of Beneficial Interest. The Fund offers five classes of shares – Class AAA Shares, Class A Shares, Class C Shares, Class I Shares, and Class T Shares. Class AAA and Class I Shares are offered without a sales charge. Class A Shares and Class T Shares are subject to a maximum front-end sales charge of 5.75% and 2.50%, respectively. Class C Shares are subject to a 1.00% contingent deferred sales charge for one year after purchase.

The Fund imposes a redemption fee of 2.00% on all classes of shares that are redeemed or exchanged on or before the seventh day after the date of a purchase. The redemption fee is deducted from the proceeds otherwise payable to the redeeming shareholders and is retained by the Fund as an increase in paid-in capital. The redemption fees retained by the Fund during the years ended December 31, 2017 and 2016, if any, can be found in the Statement of Changes in Net Assets under Redemption Fees.

The GAMCO Growth Fund

Notes to Financial Statements (Continued)

Transactions in shares of beneficial interest were as follows:

	Year Ended December 31, 2017		Year Ended December 31, 2016	
	Shares	Amount	Shares	Amount
Class AAA				
Shares sold	148,434	\$ 8,042,094	125,426	\$ 5,909,865
Shares issued upon reinvestment of distributions	547,337	31,154,454	461,848	21,693,346
Shares redeemed	(886,616)	(47,536,035)	(871,977)	(41,433,518)
Net decrease	(190,845)	\$ (8,339,487)	(284,703)	\$(13,830,307)
Class A				
Shares sold	17,591	\$ 996,265	14,495	\$ 670,379
Shares issued upon reinvestment of distributions	3,212	182,894	3,032	142,429
Shares redeemed	(25,881)	(1,453,896)	(17,211)	(822,432)
Net increase/(decrease)	(5,078)	\$ (274,737)	316	\$ (9,624)
Class C				
Shares sold	18,678	\$ 908,417	23,248	\$ 993,003
Shares issued upon reinvestment of distributions	3,173	159,195	1,886	79,321
Shares redeemed	(10,225)	(486,878)	(39,843)	(1,718,184)
Net increase/(decrease)	11,626	\$ 580,734	(14,709)	\$ (645,860)
Class I				
Shares sold	144,712	\$ 7,751,098	125,180	\$ 5,977,875
Shares issued upon reinvestment of distributions	46,214	2,682,718	33,609	1,604,168
Shares redeemed	(74,956)	(4,032,514)	(115,515)	(5,553,670)
Net increase	115,970	\$ 6,401,302	43,274	\$ 2,028,373
Class T(a)				
Shares sold	19	\$ 1,000	—	—
Shares issued upon reinvestment of distributions	1	67	—	—
Net increase	20	\$ 1,067	—	—

(a) Class T Shares were initially offered on July 5, 2017.

9. Indemnifications. The Fund enters into contracts that contain a variety of indemnifications. The Fund's maximum exposure under these arrangements is unknown. However, the Fund has not had prior claims or losses pursuant to these contracts. Management has reviewed the Fund's existing contracts and expects the risk of loss to be remote.

10. Subsequent Events. Management has evaluated the impact on the Fund of all subsequent events occurring through the date the financial statements were issued and has determined that there were no subsequent events requiring recognition or disclosure in the financial statements.

The GAMCO Growth Fund

Report of Independent Registered Public Accounting Firm

To the Board of Trustees and Shareholders of
The GAMCO Growth Fund:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of The GAMCO Growth Fund (the "Fund") as of December 31, 2017, the related statement of operations for the year ended December 31, 2017, the statement of changes in net assets for each of the two years in the period ended December 31, 2017, including the related notes, and the financial highlights for each of the periods indicated therein (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2017, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2017 and the financial highlights for each of the periods indicated therein in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2017 by correspondence with the custodian. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP
New York, New York
February 27, 2018

We have served as the auditor of one or more investment companies in Gabelli/GAMCO Fund Complex since 1986.

The GAMCO Growth Fund Additional Fund Information (Unaudited)

The business and affairs of the Fund are managed under the direction of the Fund's Board of Trustees. Information pertaining to the Trustees and officers of the Fund is set forth below. The Fund's Statement of Additional Information includes additional information about the Fund's Trustees and is available without charge, upon request, by calling 800-GABELLI (800-422-3554) or by writing to The GAMCO Growth Fund at One Corporate Center, Rye, NY 10580-1422.

<u>Name, Position(s) Address¹ and Age</u>	<u>Term of Office and Length of Time Served²</u>	<u>Number of Funds in Fund Complex Overseen by Trustee</u>	<u>Principal Occupation(s) During Past Five Years</u>	<u>Other Directorships Held by Trustee⁴</u>
INTERESTED TRUSTEES³:				
Mario J. Gabelli, CFA Trustee Age: 75	Since 1992	32	Chairman, Chief Executive Officer, and Chief Investment Officer— Value Portfolios of GAMCO Investors, Inc. and Chief Investment Officer— Value Portfolios of Gabelli Funds, LLC and GAMCO Asset Management Inc.; Director/ Trustee or Chief Investment Officer of other registered investment companies within the Gabelli/GAMCO Fund Complex; Chief Executive Officer of GGCP, Inc.; Executive Chairman of Associated Capital Group, Inc.	Director of Morgan Group Holdings, Inc. (holding company); Chairman of the Board and Chief Executive Officer of LICT Corp. (multimedia and communication services company); Director of CIBL, Inc. (broadcasting and wireless communications); Director of ICTC Group Inc. (communications)
John D. Gabelli Trustee Age: 73	Since 1995	10	Senior Vice President of G.research, LLC	—
INDEPENDENT TRUSTEES⁵:				
James P. Conn Trustee Age: 79	Since 1992	27	Former Managing Director and Chief Investment Officer of Financial Security Assurance Holdings Ltd. (1992-1998)	—
Robert J. Morrissey Trustee Age: 78	Since 2001	6	Partner in the law firm of Morrissey, Hawkins & Lynch	Chairman of the Board of Directors, Belmont Savings Bank
Anthony R. Pustorino Trustee Age: 92	Since 1987	10	Certified Public Accountant; Professor Emeritus, Pace University	Director of The LGL Group, Inc. (diversified manufacturing) (2004-2011)
Anthony Torna, Sr. Trustee Age: 91	Since 1987	1	Registered Representative, Maxim Group LLC; Investec Ernst & Company (2001-2012)	—
Anthonie C. van Ekris Trustee Age: 83	1987-1989 1992-present	22	Chairman and Chief Executive Officer of BALMAC International, Inc. (global import/export company)	—
Salvatore J. Zizza Trustee Age: 72	1987-1996 2000-present	30	President of Zizza & Associates Corp. (private holding company); Chairman of Harbor Diversified, Inc. (pharmaceuticals); Chairman of BAM (semiconductor and aerospace manufacturing); Chairman of Bergen Cove Realty Inc.; Chairman of Metropolitan Paper Recycling Inc. (recycling) (2005-2014)	Director and Vice Chairman of Trans-Lux Corporation (business services); Director and Chairman of Harbor Diversified Inc. (pharmaceuticals)

The GAMCO Growth Fund Additional Fund Information (Continued) (Unaudited)

<u>Name, Position(s) Address¹ and Age</u>	<u>Term of Office and Length of Time Served²</u>	<u>Principal Occupation(s) During Past Five Years</u>
OFFICERS:		
Bruce N. Alpert President Age: 66	Since 2006	Executive Vice President and Chief Operating Officer of Gabelli Funds, LLC since 1988; Officer of registered investment companies within the Gabelli/GAMCO Fund Complex; Senior Vice President of GAMCO Investors, Inc. since 2008
John C. Ball Treasurer Age: 41	Since May 2017	Treasurer of all the registered investment companies within the Gabelli/GAMCO Fund Complex since 2017; Vice President and Assistant Treasurer of AMG Funds, 2014-2017; Vice President of State Street Corporation, 2007-2014
Agnes Mullady Vice President Age: 59	Since 2006	Officer of all of the registered investment companies within the Gabelli/GAMCO Fund Complex since 2006; President and Chief Operating Officer of the Fund Division of Gabelli Funds, LLC since 2015; Chief Executive Officer of G.distributors, LLC since 2010; Senior Vice President of GAMCO Investors, Inc. since 2009; Vice President of Gabelli Funds, LLC since 2007; Executive Vice President of Associated Capital Group, Inc. since 2016
Andrea R. Mango Secretary Age: 45	Since 2013	Vice President of GAMCO Investors, Inc. since 2016; Counsel of Gabelli Funds, LLC since 2013; Secretary of all registered investment companies within the Gabelli/GAMCO Fund Complex since 2013; Vice President of all closed-end funds within the Gabelli/GAMCO Fund Complex since 2014; Corporate Vice President within the Corporate Compliance Department of New York Life Insurance Company, 2011-2013
Richard J. Walz Chief Compliance Officer Age: 58	Since 2013	Chief Compliance Officer of all of the registered investment companies within the Gabelli/GAMCO Fund Complex since 2013; Chief Compliance Officer of AEGON USA Investment Management, 2011-2013

¹ Address: One Corporate Center, Rye, NY 10580-1422, unless otherwise noted.

² Each Trustee will hold office for an indefinite term until the earliest of (i) the next meeting of shareholders, if any, called for the purpose of considering the election or re-election of such Trustee and until the election and qualification of his or her successor, if any, elected at such meeting, or (ii) the date a Trustee resigns or retires, or a Trustee is removed by the Board of Trustees or shareholders, in accordance with the Fund's By-Laws and Declaration of Trust. Each officer will hold office for an indefinite term until the date he or she resigns or retires or until his or her successor is elected and qualified.

³ "Interested person" of the Fund as defined in the 1940 Act. Messrs. Mario J. Gabelli and John D. Gabelli, who are brothers, are each considered an "interested person" because of their affiliation with Gabelli Funds, LLC which acts as the Fund's investment adviser.

⁴ This column includes only directorships of companies required to report to the SEC under the Securities Exchange Act of 1934, as amended, i.e., public companies, or other investment companies registered under the 1940 Act.

⁵ Trustees who are not interested persons are considered "Independent" Trustees.

Gabelli/GAMCO Funds and Your Personal Privacy

Who are we?

The Gabelli/GAMCO Funds are investment companies registered with the Securities and Exchange Commission under the Investment Company Act of 1940. We are managed by Gabelli Funds, LLC and GAMCO Asset Management Inc., which are affiliated with GAMCO Investors, Inc. that is a publicly held company with subsidiaries and affiliates that provide investment advisory services for a variety of clients.

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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THE GAMCO GROWTH FUND
One Corporate Center
Rye, NY 10580-1422

Portfolio Manager Biography

Howard F. Ward, CFA, joined Gabelli Funds in 1995 and currently serves as GAMCO's Chief Investment Officer of Growth Equities as well as a Gabelli Funds, LLC portfolio manager for several funds within the Gabelli/GAMCO Fund Complex. Prior to joining Gabelli, Mr. Ward served as Managing Director and Lead Portfolio Manager for several Scudder mutual funds. He also was an Investment Officer in the Institutional Investment Department with Brown Brothers, Harriman & Co. Mr. Ward received his BA in Economics from Northwestern University.

2017 TAX NOTICE TO SHAREHOLDERS (Unaudited)

For the year ended December 31, 2017, the Fund paid to shareholders ordinary income distributions (comprised of short term capital gains) totaling \$0.067, \$0.067, \$0.067, \$0.067, and \$0.067 per share for Class AAA, Class A, Class C, Class I, and Class T Shares, respectively, and long term capital gains totaling \$35,437,275 or the maximum allowable. The distributions of long term capital gains have been designated as a capital gain dividend by the Fund's Board of Trustees. For the year ended December 31, 2017, 100% of the ordinary income distribution qualifies for the dividends received deduction available to corporations. The Fund designates 100% of the ordinary income distribution as qualified dividend income pursuant to the Jobs and Growth Tax Relief Reconciliation Act of 2003. The Fund designates 0% of the ordinary income distribution as qualified interest income pursuant to the Tax Relief, Unemployment Reauthorization, and Job Creation Act of 2010. The Fund designates 100% of the ordinary income distribution as qualified short term gain pursuant to the American Jobs Creation Act of 2004.

All designations are based on financial information available as of the date of this annual report and, accordingly, are subject to change. For each item, it is the intention of the Fund to designate the maximum amount permitted under the Internal Revenue Code and the regulations thereunder.

We have separated the portfolio manager's commentary 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 manager's commentary is unrestricted. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at www.gabelli.com.

THE GAMCO GROWTH FUND

One Corporate Center
Rye, New York 10580-1422

t 800-GABELLI (800-422-3554)

f 914-921-5118

e info@gabelli.com

GABELLI.COM

Net Asset Value per share available daily
by calling 800-GABELLI after 7:00 P.M.

BOARD OF TRUSTEES

Mario J. Gabelli, CFA
Chairman and Chief
Executive Officer,
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*Annual Report
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