

# The Gabelli Dividend & Income Trust

## Shareholder Commentary – March 31, 2018

### (Y)our Portfolio Management Team



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## To Our Shareholders,

For the quarter ended March 31, 2018, the net asset value (“NAV”) total return of The Gabelli Dividend & Income Trust (the “Fund”) was (4.1)%, compared with a total return of (0.8)% for the Standard & Poor’s (“S&P”) 500 Index. The total return for the Fund’s publicly traded shares was (4.3)%. The Fund’s NAV per share was \$23.77, while the price of the publicly traded shares closed at \$22.10 on the New York Stock Exchange (“NYSE”).

## In Review

In stock market terms, the first quarter of 2018 was somewhat different from recent quarters. Previously, the U.S. stock market had been going up for many quarters in a row. In the first quarter, however, the stock market was actually down slightly; something we are not used to seeing. Another difference was that volatility has come back to the stock market. One way to measure volatility is to look at the number of days when the stock market, as measured by the S&P 500 Index, was up or down by at least 1% in one trading day. During all of 2017, the S&P 500 only had eight such trading days, a very low number. During the first quarter of 2018, however, there were twenty-three daily moves of at least 1%. So, volatility is back, and as long term investors know well, the stock market does not always go up in the short term.

## Comparative Results

### Average Annual Returns through March 31, 2018 (a)

	Quarter	1 Year	5 Year	10 Year	Since Inception (11/28/03)
<b>Gabelli Dividend &amp; Income Trust</b>					
NAV Total Return (b) .....	(4.08)%	9.84%	9.24%	7.96%	8.11%
Investment Total Return (c) .....	(4.25)	12.36	10.67	9.71	8.08
S&P 500 Index .....	(0.76)	13.99	13.31	9.49	8.81
Dow Jones Industrial Average .....	(1.97)	19.34	13.25	9.81	9.20
Nasdaq Composite Index .....	2.59	20.90	18.13	13.31	10.61

(a) Returns represent past performance and do not guarantee future results. Investment returns and the principal value of an investment will fluctuate. When shares are sold, 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](http://www.gabelli.com) for performance information as of the most recent month end. Performance returns for periods of less than one year are not annualized. Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The Dow Jones Industrial Average is an unmanaged index of 30 large capitalization stocks. The S&P 500 and the Nasdaq Composite Indices are unmanaged indicators of stock market performance. Dividends are considered reinvested except for the Nasdaq Composite Index. You cannot invest directly in an index.

(b) Total returns and average annual returns reflect changes in the NAV per share and reinvestment of distributions at NAV on the ex-dividend date and adjustment for the spin-off and are net of expenses. Since inception return is based on an initial NAV of \$19.06.

(c) Total returns and average annual returns reflect changes in closing market values on the NYSE, reinvestment of distributions and adjustment for the spin-off. Since inception return is based on an initial offering price of \$20.00.

We look forward to an acceleration in earnings growth and deal activity in 2018. We expect volatility, as mentioned above, to stay with us. Market corrections and economic recessions are inevitable, and indeed necessary, for the proper functioning of our capitalist system. We remain alert and prepared for most eventualities, and believe our PMV with a Catalyst™ approach will continue to deliver superior risk-adjusted results over the long term.

## The Economy

The U.S. economy grew at an impressive rate of about 3.0% in real terms during 2017, and we expect that the economy will continue to grow by that same 3.0% rate during 2018. Inflation has started to move up ever so slightly, and we expect that this metric, as measured by the Consumer Price Index, will hover just above 2% for 2018, a level that central bankers should be comfortable with as they gradually raise short term rates. The unemployment rate, at approximately 4%, stands at a ten year low. Housing starts of about 1.3 million units continue their steady increase, but remain comfortably below the prior peak of 2.2 million units.

The U.S. economic expansion has been going on since June 2009, according to the National Bureau of Economic Research. That means we are about to enter the second longest economic expansion in the U.S., beating the 106 month expansion of the 1960s. The longest economic expansion was from 1991-2001, and we will have to wait another year to see if we can beat that record to become the longest economic expansion recorded in U.S. history, with records going back to before the Civil War.

## **The State of Washington**

Since late 2017, the rising stock market was based on a “Trump Bump,” consisting of (a) tax reform, (b) deregulation, and (c) fiscal stimulus. To date, the Trump administration has delivered on the first two objectives. Fiscal stimulus could become part of the picture in 2018 if an infrastructure bill gets passed and military spending goes up, both of which the administration would like to accomplish. The new tax bill, which lowers the Federal corporate tax rate to 21%, will make U.S. corporate taxes very competitive with other OECD countries, which is a major positive for the U.S. economy and the U.S. stock market. (Y)our portfolio is well positioned to capture the benefits of the lower corporate taxes, as it includes a disproportionate weighting of smaller and mid-size U.S. firms, which are currently paying higher effective rates and whose revenues are centered on domestic operations. Many individuals will see lower taxes, with reduced rates and an increased standard deduction, but higher income households in higher state and local tax (SALT) geographies could see an increase. Deregulation in the energy, financial, and media/telecom sectors has already unleashed corporate animal spirits. We expect more deregulation to come from this administration.

## **The State of the Fed**

Notwithstanding excitement about potential tax windfalls, the most powerful market force emerging from Washington during the past few years has come from the Federal Reserve. Through open market activity and three rounds of quantitative easing (QE), the Fed slashed short term interest rates from 4.5% before the 2008-2009 financial crisis to nearly zero, lifting assets prices everywhere. The Fed began tapping the brakes by tapering QE activity in October 2014, and has now raised rates six times, the latest of which took the Fed Funds rate to a range of 1.50% - 1.75%. The Fed started shrinking its balance sheet, with current expectations for two additional rate increases in 2018 and possibly three in 2019, which would ratchet the Fed Funds rate to 3.0%. Newly appointed Fed Chair Jerome H. (“Jay”) Powell, a centrist and former banker, will likely continue on this path.

Over the long term, the Fed’s “normalization” of rates is healthy for the economy, but the timing of this process has been the subject of debate, given the lack of inflation. The last two rate hike cycles ended in market dislocations in 2001 and 2007, but the circumstances in each were very different from today. A future recession may be unavoidable, but it need not be triggered by the Fed anytime soon. What is clear, however, is that monetary policy has gone from being a tailwind to being a headwind for the economy and the market.

## **Dividends**

Dividends are an important element in the historical returns of stocks. They provide current income and a growing income stream over time. During the first quarter of 2018, U.S. companies continued to increase their dividends. At the end of the quarter, the dividend yield on the S&P 500 was just below 2.0%, and 26% of the stocks in the S&P 500 had dividend yields greater than the 10-Year U.S. Treasury Note.

## Investment Scorecard

During the first quarter of 2018, the S&P 500 Index was down about 1% on a total return basis. All of the eleven sectors that make up the index were down, with the exception of two sectors - Information Technology, which was up 3.5%, and Consumer Discretionary, which was up 3.1%. The worst performing sector during the quarter was Telecom (down 7.5%), followed by Consumer Staples (down 7.1%).

Some of the stocks that helped performance the most in the Fund during the first quarter were Dr. Pepper Snapple, Hewlett Packard Enterprises, and MasterCard, all of which were up over 10%.

Dr. Pepper Snapple is a beverage company, and in late January the company agreed to be acquired by Keurig Green Mountain. As part of the deal, shareholders in Dr. Pepper Snapple will receive 13% ownership in the combined company and \$103.75 per share in a special cash dividend. Hewlett Packard Enterprise reported strong earnings during the quarter, and the stock hit an all-time high as a result. Likewise, the credit card company MasterCard reported good earnings, with purchase volume up by 13%.

A few of the worst performing stocks in the Fund during the first quarter were General Mills, CVS, and General Electric; each of these three stocks was down over 10%.

General Mills, the manufacturer and marketer of branded consumer foods, reported disappointing earnings in the quarter, as cost pressures led to a lowering of full year earnings guidance. CVS is still on track to acquire Aetna in 2018, but they may have to divest some business lines in order for the deal to receive antitrust approval. General Electric, under the new leadership of CEO John Flannery, has increased charges related to GE Capital's insurance portfolio.

## 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 share prices are listed first in United States dollars (USD) and second in the local currency, where applicable, and are presented as of March 31, 2018.

*American Express Co. (AXP – \$93.28 – NYSE)* is the largest closed loop credit card company in the world. The company operates its eponymous premiere branded payment network and lends to its largely affluent customer base. American Express has 113 million cards in force and nearly \$70 billion in loans, while its customers charged over a \$1.1 trillion of spending on their cards in 2017. The company's strong consumer brand has allowed American Express to enter the deposit gathering market as an alternate source of funding, while the company's affluent customers have picked up spending. Longer term, American Express should capitalize on its higher spending customer base and continue to expand into other payment related businesses, such as corporate purchasing, while also growing in emerging markets. Similarly, the company is looking at the growing success of social media as an opportunity to expand its product base and payment options.

*The Boeing Company (BA – \$327.88 – NYSE)*, based in Chicago, Illinois, is one of the largest aerospace and defense companies. It is organized into four segments: Commercial Airplanes; Defense, Space & Security; Global Services; and Boeing Capital. Commercial Airplanes manufactures commercial jet aircraft and provides fleet support services, principally to the commercial airline industry worldwide. BA is a leading producer of commercial aircraft and offers a family of commercial jetliners designed to meet a broad spectrum of global passenger and cargo requirements of airlines. This family of commercial jet aircraft in production includes the 737 narrow-body model and the 747, 767, 777, and 787 wide-body models. Development continues on the 787-10 and certain 737 MAX derivatives and the 777X program. Defense, Space & Security is engaged in the research, development, production, and modification of manned and unmanned military aircraft and weapons systems for global strike, including fighter aircraft and missile systems; vertical lift, including rotorcraft and tilt-rotor aircraft; mobility, surveillance and engagement, including battle management, airborne, anti-submarine, transport and tanker aircraft. In addition, this segment is engaged in the research, development, production and modification of the following products and related services: strategic defense and intelligence systems, including strategic missile and defense systems, command, control, communications, computers, intelligence, surveillance and reconnaissance (C<sup>4</sup>ISR), cyber and information solutions, and intelligence systems; satellite systems, including government and commercial satellites and space exploration. Global Services provides services to commercial and defense customers. This segment offers aviation services support, aircraft modifications, spare parts, training, maintenance documents, data analytics and information-based services, and technical advice to commercial and government customers worldwide. Boeing Capital (BCC) seeks to ensure that Boeing customers have the financing they need to buy and take delivery of their Boeing product, and manages overall financing exposure. BCC's portfolio consists of equipment under operating leases, finance leases, notes and other receivables, assets held for sale or re-lease and investments.

*HERC Holdings Inc. (HRI – \$64.95 – NYSE)*, based in Bonita Springs, Florida, is the third largest equipment rental company in the United States, after United Rentals and Sunbelt Rentals (owned by Ashtead). HRI was spun out of former parent Hertz on June 30, 2016. Underemphasized as part of a significantly larger car rental company, HRI now has the opportunity to improve profitability to levels more commensurate with its peers as a standalone entity, which has the potential to create significant value for shareholders. Ultimately, we view HRI as an attractive acquisition candidate. We continue to see operating improvement at HRI, which will help drive stronger earnings, particularly in the context of a growing equipment rental market.

*Honeywell International Inc. (HON – \$144.51 – NYSE)* operates as a diversified technology company with highly engineered products, including turbine propulsion engines, auxiliary power units, turbochargers, brake pads, environmental and combustion controls, sensors, security and life safety products, resins and chemicals, nuclear services, and process technology for the petrochemical and refining industries. One of the key drivers of HON's growth is acquisitions, which increase the company's growth profile globally, creating both organic and inorganic opportunities. The company recently announced its plan to spin-off its Homes product portfolio and ADI Global Distribution businesses, as well as its Transportation Systems business into two publicly traded companies.

*JPMorgan Chase & Co. (JPM – \$109.97 – NYSE)* is one of the oldest financial institutions in the U.S. The firm, with assets of over \$2.5 trillion, provides services to millions of consumers, small businesses, and many of the world's largest corporate, institutional, and government clients. The bank is divided into several reporting segments, including investment banking, commercial banking, financial transaction processing, asset management, and private equity. CEO Jamie Dimon is well regarded among corporate leaders, and he has positioned the company for future growth, despite the recent challenges related to the financial crisis, increased regulations, and low interest rates.

*Lamb Weston Holdings Inc. (LW – \$58.22 – NYSE)*, based in Eagle, Idaho, became an independent publicly traded company following the spin-off from Conagra Brands in November 2016. Lamb Weston is the largest manufacturer of frozen potatoes in North America and the second leading manufacturer globally, with market shares of approximately 23% and 42%, respectively. The company generates over \$3.3 billion in revenue, supplying frozen potato, sweet potato, appetizers, and vegetable products to global quick service restaurants, local and regional restaurants, food distributors, and retail customers. It also has ownership stakes in several joint ventures, including Lamb Weston/Meijer, based in the Netherlands, which sells frozen potato products in Europe, Middle East, and Africa. LW has been successful in capitalizing on industry growth, insufficient industry supply, and executional excellence to improve its gross and operating margins, resulting in double-digit earnings per share growth.

*Rockwell Automation Inc. (ROK – \$174.20 – NYSE)*, headquartered in Milwaukee, Minnesota, provides industrial automation, control, and information solutions. The Architecture & Software segment offers control platforms that perform multiple control disciplines and monitoring of applications, including discrete, batch, and continuous process. Control Product & Solutions provides electronic motors starters and variable frequency drives, along with more project oriented automation solutions. Rockwell stands out as a pure play automation company with an unmatched focus, a technology orientation, and key strategic partnerships, facilitating above peer growth and margins. Rockwell should continue to outgrow the global automation industry, which in turn is outgrowing global industrial production as manufacturers replace labor with capital and embrace machine data to optimize their plants and ensure uptime. In that vein, the company's growth in Information Solutions & Connected Services is in its early stages, and Rockwell is driving innovative solutions. The company generates healthy free cash flows, almost all of which it returns to shareholders through dividends and repurchases.

*T. Rowe Price Group Inc. (TROW – \$107.97 – NYSE)*, located in Baltimore, Maryland, is one of the largest domestic investment managers. With managed assets close to \$1 trillion, T. Rowe has scale, brand, and a compelling long term track record of active investing across multiple asset classes, including equities, fixed income, and alternatives. The firm also distinguishes itself among the retirement space, offering a broad offering of defined contribution and defined benefit products, and is a leader in target date investing. Shares remain attractive due to strong management, high margins, and significant cash flow generation.

*Xylem Inc. (XYL – \$76.92 – NYSE)* is a global leader in the design, manufacturing, and application of highly engineered technologies for the transportation, treatment, measurement, and testing of water. The company is expected to benefit from favorable long term fundamentals in the water industry, driven by scarcity, population

growth, aging of the infrastructure, and the need to improve water quality. Further, with a large installed base of pumps and systems, the company is well positioned to increase aftermarket revenue, which currently represents roughly 40% of total revenues. XYL expects to generate mid-teens earnings per share growth through 2020 as it accelerates its capital deployment strategy globally. The company is currently building out its infrastructure analytics capabilities as it integrates the companies it has acquired in the past couple of years, such as Sensus and Pure Technologies.

## Conclusion

While change is constant, the fundamental underpinnings of common stock value investing remain unchanged. Our stock selection process is based on the investment principles first articulated in 1934 by the fathers of security analysis, Benjamin Graham and David Dodd. Their work provided the framework for value investing. Our firm contributed to the academic and empirical research on value investing by introducing the concept of Private Market Value (PMV) with a Catalyst™. This is our proprietary research methodology that focuses on individual stock selection by identifying stocks of firms selling at a discount to intrinsic value per share with a reasonable probability of realizing their PMVs. We define PMV as the price a strategic acquirer would likely be willing to pay for the entire enterprise. Catalysts are specific events or circumstances with varying time horizons that can trigger a narrowing of the difference between the market price of a stock and its estimated PMV per share. Price appreciation can occur instantly, as in the case in an announced takeover, or more gradually over time. There are a variety of catalysts that can cause change. Some general categories include: company specific, industry, regulatory, demographic, political and economic. We continue to find good value in many companies that have some combination of long term growth prospects, strong cash flow generation, good balance sheets as well as shareholder friendly management teams. We thank you for your investment in the Fund and we look forward to serving you in the future.

April 25, 2018

### **Top Ten Holdings March 31, 2018**

JPMorgan Chase & Co.	PNC Financial Services Group Inc.
Honeywell International Inc.	Mondelez International Inc.
The Bank of New York Mellon Corp.	Verizon Communications Inc.
American Express Co.	Wells Fargo & Co.
Swedish Match AB	Genuine Parts Co.

**Note:** The views expressed in this Shareholder Commentary reflect those of the Portfolio Managers only through the end of the period stated in this Shareholder Commentary. The Portfolio Managers' views are subject to change at any time based on market and other conditions. The information in this Shareholder Commentary represents the opinions of the individual Portfolio Managers 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 Managers 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. Beneficial ownership of shares held in the Fund by Mr. Gabelli and various entities he is deemed to control are disclosed in the Fund's annual proxy statement.

### **Common Share Repurchase Plan**

On May 12, 2004, the Board of Trustees of the Fund (the "Board") voted to authorize the repurchase of the Fund's common shares in the open market from time to time when such shares are trading at a discount of 7.5% or more from NAV. In total through March 31, 2018, the Fund has repurchased and retired 2,630,779 common shares in the open market under this share repurchase plan, at an average investment of \$16.65 per share and an average discount of approximately 14% from its NAV. The Fund did not repurchase shares in the first quarter of 2018.

### **Monthly Distribution Policy for Common Shareholders**

Pursuant to its distribution policy, the Fund paid \$0.11 per share cash distributions on January 24, 2018, February 21, 2018, and March 22, 2018 to common shareholders of record on January 17, 2018, February 13, 2018, and March 15, 2018, respectively, for a total distribution of \$0.33 per share during the first quarter of 2018.

Under the Fund's distribution policy, the Fund intends to pay a fixed monthly cash distribution and, if necessary, an adjusting distribution in December which includes any additional income and realized net capital gains in excess of the monthly distributions for that year to satisfy the minimum distribution requirements of the Internal Revenue Code.

Each quarter, the Board reviews the amount of any potential distribution from the income, capital gain, or capital available. The Board will continue to monitor the Fund's distribution level, taking into consideration the Fund's net asset value and the financial market environment. The Fund's distribution policy is subject to modification by the Board at any time. The distribution rate should not be considered the dividend yield or total return on an investment in the Fund.

If the Fund does not generate sufficient earnings (dividends and interest income and realized net capital gain) equal to or in excess of the aggregate distributions paid by the Fund in a given year, then the amount distributed in excess of the Fund's earnings would be deemed a return of capital. Since this would be considered a return of a portion of a shareholder's original investment, it is generally not taxable and is treated as a reduction in the shareholder's cost basis. Despite the challenges of the extra recordkeeping, a distribution

that incorporates a return of capital serves as a smoothing mechanism resulting in a more stable and consistent cash flow available to shareholders.

Long term capital gains, qualified dividend income, ordinary income, and paid-in capital, if any, will be allocated on a pro-rata basis to all distributions to common shareholders for the year. Based on the accounting records of the Fund currently available, each of the distributions paid to common shareholders in 2018 would include approximately 17% from net investment income, 41% from net capital gains, and 42% from paid-in capital on a book basis. This does not currently represent information for tax reporting purposes. The estimated components of each distribution are updated and provided to shareholders of record in a notice accompanying the distribution and are available on our website ([www.gabelli.com](http://www.gabelli.com)). Shareholders should not draw any conclusions about the Fund's investment performance from the amount of the current distribution. The final determination of the sources of all distributions in 2018 will be made after year end and can vary from the monthly estimates. All shareholders with taxable accounts will receive written notification regarding the components and tax treatment for all 2018 distributions in early 2019 via Form 1099-DIV.

### **5.875% Series A, 6.00% Series D, and 5.25% Series G Cumulative Preferred Shares**

The Fund's 5.875% Series A, 6.00% Series D, and 5.25% Series G Cumulative Preferred Shares paid \$0.3671875, \$0.375, and \$0.328125 per share cash distributions, respectively, on March 26, 2018, to preferred shareholders of record on March 19, 2018. These Preferred Shares, which trade on the NYSE under the symbols "GDV Pr A," "GDV Pr D," and "GDV Pr G," respectively, are rated "Aa3" by Moody's Investors Service and have annual dividend rates of \$1.46875, \$1.50, and \$1.3125 per share, respectively. The Series A, Series D, and Series G Preferred Shares were issued on October 12, 2004, November 3, 2005, and July 1, 2016, respectively, at \$25.00 per share, and pay distributions quarterly. After five years of call protection, the Series A and Series D Preferred Shares became callable at any time at the liquidation value of \$25.00 per share plus accrued dividends. The Series G Preferred Shares will be callable at any time at the liquidation value of \$25.00 per share plus accrued dividends following the expiration of the five year call protection on July 1, 2021. The next distributions are scheduled for June 2018. The Fund is authorized to repurchase these Preferred Shares in the open market from time to time when such shares are trading at a discount to the liquidation value of \$25.00 per share. In total through March 31, 2018, the Fund has repurchased and retired 151,981 Series A and 57,704 Series D Preferred Shares in the open market under this share repurchase authorization. The Fund did not repurchase any of these Preferred Shares during the first quarter of 2018.

### **Series B, Series C, and Series E Auction Market/Rate Cumulative Preferred Shares**

During the first quarter of 2018, the dividend rates for the Series B and Series C Auction Market and Series E Auction Rate Cumulative Preferred Shares ranged from 2.964% to 3.231%, 2.965% to 3.245%, and 3.965% to 4.347%, respectively. Dividend rates for the Series B, Series C, and Series E Preferred Shares may be reset every seven days based on the results of an auction. Since February 2008, the number of Series B, Series C, and Series E Preferred Shares subject to bid orders by potential holders has been less than the number of sell orders. Therefore the weekly auctions have failed, and the holders have not been able to sell any or all of the Series B, Series C, and Series E Preferred Shares for which they submitted sell orders. The

dividend rate since then has been the maximum rate. At March 31, 2018, the maximum rate for Series B and Series C Preferred Shares was 150 basis points greater than the seven day Telerate/British Bankers Association LIBOR and for Series E Preferred Shares was 250 basis points greater than the referenced LIBOR rate. The Series B, Series C, and Series E Preferred Shares are rated “Aa3” by Moody’s Investors Service and “AA” by Fitch Ratings. The Series B, Series C, and Series E Preferred Shares do not trade on an exchange. The Fund was authorized to issue 4,000 Series B and 4,800 Series C Preferred Shares on October 12, 2004, and 5,400 Series E Preferred Shares on November 3, 2005 at \$25,000 per share. As of March 31, 2018, 3,600, 4,320, and 4,860 Series B, Series C, and Series E Preferred Shares, respectively, were outstanding.

The Board shares the view of Gabelli Funds, LLC (the “Investment Adviser”) that the issuance of the Preferred Shares is designed to benefit the common shareholders. To the extent that the Fund earns in excess of the dividend rate on the Preferred Shares, additional value will thereby be created for its common shareholders.

Long term capital gains, qualified dividend income and ordinary income, if any, will be allocated on a pro-rata basis to all distributions to preferred shareholders for the year. Based on the accounting records of the Fund currently available, each of the distributions paid to preferred shareholders in 2018 would include approximately 30% from net investment income and 70% from net capital gains on a book basis. This does not currently represent information for tax reporting purposes. The estimated components of each distribution are updated and provided to shareholders of record in a notice accompanying the distribution and are available on our website ([www.gabelli.com](http://www.gabelli.com)). The final determination of the sources of all distributions in 2017 will be made after year end and can vary from the quarterly estimates. All shareholders with taxable accounts will receive written notification regarding the components and tax treatment for all 2018 distributions in early 2019 via Form 1099-DIV.

### **Tax Treatment of Distributions to Common and Preferred Shareholders**

All or part of the distributions may be treated as long term capital gain or qualified dividend income (or a combination of both) for individuals, each subject to the maximum federal income tax rate, which is currently 20% in taxable accounts for individuals. In addition, certain U.S. shareholders who are individuals, estates, or trusts and whose income exceeds certain thresholds will be required to pay a 3.8% Medicare surcharge on their “net investment income,” which includes dividends received from the Fund and capital gains from the sale or other disposition of shares of the Fund.

### **[www.gabelli.com](http://www.gabelli.com)**

Please visit us on the Internet. Our homepage at [www.gabelli.com](http://www.gabelli.com) contains information about GAMCO Investors, Inc., the Gabelli/GAMCO Closed-End Funds and 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 [closedend@gabelli.com](mailto:closedend@gabelli.com).

You may sign up for our e-mail alerts at [www.gabelli.com](http://www.gabelli.com) and receive 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. Shareholders of our closed-end funds can now elect to receive e-mail announcements regarding available materials, including shareholder commentaries and Fund reports. For more information or to register for e-delivery, please visit our website at [www.gabelli.com](http://www.gabelli.com).

## **AUTOMATIC DIVIDEND REINVESTMENT AND VOLUNTARY CASH PURCHASE PLANS**

### **Enrollment in the Plan**

It is the policy of The Gabelli Dividend & Income Trust (the “Fund”) to automatically reinvest dividends payable to common shareholders. As a “registered” shareholder you automatically become a participant in the Fund’s Automatic Dividend Reinvestment Plan (the “Plan”). The Plan authorizes the Fund to credit common shares to participants upon an income dividend or a capital gains distribution regardless of whether the shares are trading at a discount or a premium to net asset value. All distributions to shareholders whose shares are registered in their own names will be automatically reinvested pursuant to the Plan in additional shares of the Fund. Plan participants may send their common shares certificates to Computershare Trust Company, N.A. (“Computershare”) to be held in their dividend reinvestment account. Registered shareholders wishing to receive their distributions in cash must submit this request in writing to:

The Gabelli Dividend & Income Trust  
c/o Computershare  
P.O. Box 505000  
Louisville, KY 40233

Shareholders requesting this cash election must include the shareholder’s name and address as they appear on the Fund’s records. Shareholders with additional questions regarding the Plan or requesting a copy of the terms of the Plan, may contact Computershare at (800) 336-6983.

If your shares are held in the name of a broker, bank, or nominee, you should contact such institution. If such institution is not participating in the Plan, your account will be credited with a cash dividend. In order to participate in the Plan through such institution, it may be necessary for you to have your shares taken out of “street name” and re-registered in your own name. Once registered in your own name your distributions will be automatically reinvested. Certain brokers participate in the Plan. Shareholders holding shares in “street name” at participating institutions will have dividends automatically reinvested. Shareholders wishing a cash dividend at such institution must contact their broker to make this change.

The number of shares of common shares distributed to participants in the Plan in lieu of cash dividends is determined in the following manner. Under the Plan, whenever the market price of the Fund’s common shares is equal to or exceeds net asset value at the time shares are valued for purposes of determining the number of shares equivalent to the cash dividends or capital gains distribution, participants are issued shares of common shares valued at the greater of (i) the net asset value as most recently determined or (ii) 95% of the then current market price of the Fund’s common shares. The valuation date is the dividend or distribution payment date or, if that date is not a New York Stock Exchange (“NYSE”) trading day, the next trading day. If the net asset value of the common shares at the time of valuation exceeds the market price of the common shares, participants will receive shares from the Fund valued at market price. If the Fund should declare a dividend or capital gains distribution payable only in cash, Computershare will buy shares of common shares in the open market, or on the NYSE or elsewhere, for the participants’ accounts, except that Computershare will endeavor to terminate purchases in the open market and cause the Fund to issue shares at net asset value if, following the commencement of such purchases, the market value of the common shares exceeds the then current net asset value.

The automatic reinvestment of dividends and capital gains distributions will not relieve participants of any income tax which may be payable on such distributions. A participant in the Plan will be treated for federal income tax purposes as having received, on a dividend payment date, a dividend or distribution in an amount equal to the cash the participant could have received instead of shares.

### **Voluntary Cash Purchase Plan**

The Voluntary Cash Purchase Plan is yet another vehicle for our shareholders to increase their investment in the Fund. In order to participate in the Voluntary Cash Purchase Plan, shareholders must have their shares registered in their own name.

Participants in the Voluntary Cash Purchase Plan have the option of making additional cash payments to Computershare for investments in the Fund's common shares at the then current market price. Shareholders may send an amount from \$250 to \$10,000. Computershare will use these funds to purchase shares in the open market on or about the 1st and 15th of each month. Computershare will charge each shareholder who participates \$0.75, plus a pro rata share of the brokerage commissions. Brokerage charges for such purchases are expected to be less than the usual brokerage charge for such transactions. It is suggested that any voluntary cash payments be sent to Computershare, P.O. Box 505000, Louisville, KY 40233 such that Computershare receives such payments approximately 10 days before the 1st and 15th of the month. Funds not received at least five days before the investment date shall be held for investment until the next purchase date. A payment may be withdrawn without charge if notice is received by Computershare at least 48 hours before such payment is to be invested.

*Shareholders wishing to liquidate shares held at Computershare* must do so in writing or by telephone. Please submit your request to the above mentioned address or telephone number. Include in your request your name, address, and account number. The cost to liquidate shares is \$2.50 per transaction as well as the brokerage commission incurred. Brokerage charges are expected to be less than the usual brokerage charge for such transactions.

For more information regarding the Automatic Dividend Reinvestment Plan and Voluntary Cash Purchase Plan, brochures are available by calling (914) 921-5070 or by writing directly to the Fund.

The Fund reserves the right to amend or terminate the Plan as applied to any voluntary cash payments made and any dividend or distribution paid subsequent to written notice of the change sent to the members of the Plan at least 90 days before the record date for such dividend or distribution. The Plan also may be amended or terminated by Computershare on at least 90 days written notice to participants in the Plan.

We have separated the portfolio managers' 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 managers' 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](http://www.gabelli.com).

The Net Asset Value per share appears in the Publicly Traded Funds column, under the heading "General Equity Funds," in Monday's The Wall Street Journal. It is also listed in Barron's Mutual Funds/Closed End Funds section under the heading "General Equity Funds."

The Net Asset Value per share may be obtained each day by calling (914) 921-5070 or visiting [www.gabelli.com](http://www.gabelli.com).

The NASDAQ symbol for the Net Asset Value per share is "XGDVX."

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940, as amended, that the Fund may from time to time purchase its common shares in the open market when the Fund's shares are trading at a discount of 7.5% or more from the net asset value of the shares. The Fund may also from time to time purchase its preferred shares in the open market when the preferred shares are trading at a discount to the liquidation value.

**This report is printed on recycled paper.**

**THE GABELLI DIVIDEND & INCOME TRUST**  
**One Corporate Center**  
**Rye, NY 10580-1422**

**Portfolio Management Team Biographies**

**Mario J. Gabelli, CFA**, is Chairman, Chief Executive Officer, and Chief Investment Officer –Value Portfolios of GAMCO Investors, Inc. that he founded in 1977, and Chief Investment Officer – Value Portfolios of Gabelli Funds, LLC and GAMCO Asset Management Inc. He is also Executive Chairman of the Board of Directors of Associated Capital Group, Inc. Mr. Gabelli is a summa cum laude graduate of Fordham University and holds an MBA degree from Columbia Business School, and Honorary Doctorates from Fordham University and Roger Williams University.

**Sarah Donnelly** joined the TETON Westwood Mighty Mites<sup>SM</sup> Team as a portfolio manager in 2017. She is Senior Vice President and the food, household and personal care products research analyst. In 2013, she was named the Health & Wellness research platform leader. Ms. Donnelly joined GAMCO Investors, Inc. in 1999 as a junior research analyst working with the consumer staples and media analysts. She received a BS in Business Administration with a concentration in Finance and minor in History from Fordham University. Ms. Donnelly is also on the advisory board of the Gabelli Center for Global Security Analysis at Fordham University. The TETON Westwood Mighty Mites Fund is sub-advised by Gabelli Funds, LLC.

**Kevin V. Dreyer** joined Gabelli in 2005 as a research analyst covering companies within the consumer sector. Currently he is a Managing Director and Co-Chief Investment Officer for GAMCO Investors, Inc.'s Value team. In addition, he currently serves as a portfolio manager of Gabelli Funds, LLC and manages several funds within the Gabelli/GAMCO Funds Complex. Mr. Dreyer received a BSE from the University of Pennsylvania and an MBA from Columbia Business School.

**Jeffrey J. Jonas, CFA**, joined Gabelli in 2003 as a research analyst focusing on companies across the health care industry. In 2006 he began serving as a portfolio manager of Gabelli Funds, LLC and manages several funds within the Gabelli/GAMCO Funds Complex. Mr. Jonas was a Presidential Scholar at Boston College, where he received a BS in Finance and Management Information Systems.

**Robert D. Leininger, CFA**, joined GAMCO Investors, Inc. in 1993 as an equity analyst. Subsequently, he was a partner and portfolio manager at Rorer Asset Management before rejoining GAMCO in 2010 where he currently serves as a portfolio manager of Gabelli Funds, LLC. Mr. Leininger is a magna cum laude graduate of Amherst College with a degree in Economics and holds an MBA from the Wharton School at the University of Pennsylvania.

**Christopher J. Marangi** joined Gabelli in 2003 as a research analyst. Currently he is a Managing Director and Co-Chief Investment Officer for GAMCO Investors, Inc.'s Value team. In addition, he currently serves as a portfolio manager of Gabelli Funds, LLC and manages several funds within the Gabelli/GAMCO Funds Complex. Mr. Marangi graduated magna cum laude and Phi Beta Kappa with a BA in Political Economy from Williams College and holds an MBA with honors from Columbia Business School.

**Regina M. Pitaro** joined GAMCO Investors, Inc. in 1984 and is currently a Managing Director and Head of Institutional Marketing, where she continues to coordinate the organization's focus with consultants and plan sponsors. She also serves as a Managing Director and Director of GAMCO Asset Management, Inc. Ms. Pitaro holds an M.B.A. in Finance from Columbia Business School, a M.A. in Anthropology from Loyola University of Chicago, and a B.A. in Anthropology from Fordham University.

**Brian C. Sponheimer** joined Gabelli in 2008 as a research analyst covering automotive and trucking companies. Currently he is a Senior Vice President of Associated Capital Group, Inc., a portfolio manager of Gabelli Funds, LLC, and is responsible for oversight of G.research, Inc.'s Industrial Research platform. Mr. Sponheimer graduated cum laude from Harvard University with a BA in Government, and received an MBA in Finance and Economics from Columbia Business School.

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### TRUSTEES

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Chief Executive Officer,  
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Executive Chairman,  
Associated Capital Group Inc.

Anthony J. Colavita  
President,  
Anthony J. Colavita, P.C.

James P. Conn  
Former Managing Director &  
Chief Investment Officer,  
Financial Security Assurance  
Holdings Ltd.

Frank J. Fahrenkopf, Jr.  
Former President &  
Chief Executive Officer,  
American Gaming Association

Michael J. Melarkey  
Of Counsel,  
McDonald Carano Wilson LLP

Salvatore M. Salibello, CPA  
Senior Partner,  
Bright Side Consulting

Edward T. Tokar  
Former Chief Executive Officer  
of Allied Capital Management,  
LLC & Vice President of  
Honeywell International, Inc.

Anthonie C. van Ekris  
Chairman,  
BALMAC International, Inc.

Susan V. Watson, CFA  
Former President,  
Investor Relations Association

Salvatore J. Zizza  
Chairman,  
Zizza & Associates Corp.

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David I. Schachter  
Vice President

### INVESTMENT ADVISER

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### CUSTODIAN

State Street Bank and Trust  
Company

### COUNSEL

Skadden, Arps, Slate, Meagher &  
Flom LLP

### TRANSFER AGENT AND REGISTRAR

Computershare Trust Company, N.A.



GABELLI  
FUNDS

# THE GABELLI DIVIDEND & INCOME TRUST

## GDV

*Shareholder Commentary*  
*March 31, 2018*

# The Gabelli Dividend & Income Trust

## First Quarter Report — March 31, 2018

### (Y)our Portfolio Management Team



**Mario J. Gabelli, CFA**  
*Chief Investment  
Officer*



**Christopher J. Marangi**  
*Co-Chief  
Investment Officer*  
BA, Williams College  
MBA, Columbia  
Business School



**Kevin V. Dreyer**  
*Co-Chief  
Investment Officer*  
BSE, University of  
Pennsylvania  
MBA, Columbia  
Business School



**Sarah Donnelly**  
*Portfolio Manager*  
BS, Fordham  
University



**Robert D. Leininger, CFA**  
*Portfolio Manager*  
BA, Amherst College  
MBA, Wharton School,  
University of Pennsylvania



**Jeffrey J. Jonas, CFA**  
*Portfolio Manager*  
BS, Boston College



**Brian C. Sponheimer**  
*Portfolio Manager*  
BA, Harvard University  
MBA, Columbia  
Business School



**Regina M. Pitaro**  
*Managing Director*  
MBA, Columbia  
Business School

### To Our Shareholders,

For the quarter ended March 31, 2018, the net asset value (“NAV”) total return of The Gabelli Dividend & Income Trust (the “Fund”) was (4.1)%, compared with a total return of (0.8)% for the Standard & Poor’s (“S&P”) 500 Index. The total return for the Fund’s publicly traded shares was (4.3)%. The Fund’s NAV per share was \$23.77, while the price of the publicly traded shares closed at \$22.10 on the New York Stock Exchange (“NYSE”). See page 2 for additional performance information.

Enclosed is the schedule of investments as of March 31, 2018.

## Comparative Results

<b>Average Annual Returns through March 31, 2018 (a) (Unaudited)</b>					Since Inception (11/28/03)
	Quarter	1 Year	5 Year	10 Year	
<b>Gabelli Dividend &amp; Income Trust</b>					
<b>NAV Total Return (b)</b> . . . . .	(4.08)%	9.84%	9.24%	7.96%	8.11%
<b>Investment Total Return (c)</b> . . . . .	(4.25)	12.36	10.67	9.71	8.08
S&P 500 Index . . . . .	(0.76)	13.99	13.31	9.49	8.81
Dow Jones Industrial Average . . . . .	(1.97)	19.34	13.25	9.81	9.20
Nasdaq Composite Index . . . . .	2.59	20.90	18.13	13.31	10.61
<p>(a) <i>Returns represent past performance and do not guarantee future results. Investment returns and the principal value of an investment will fluctuate. When shares are sold, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Performance returns for periods of less than one year are not annualized. Visit <a href="http://www.gabelli.com">www.gabelli.com</a> for performance information as of the most recent month end. Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The Dow Jones Industrial Average is an unmanaged index of 30 large capitalization stocks. The S&amp;P 500 and the Nasdaq Composite Indices are unmanaged indicators of stock market performance. Dividends are considered reinvested except for the Nasdaq Composite Index. You cannot invest directly in an index.</i></p> <p>(b) Total returns and average annual returns reflect changes in the NAV per share and reinvestment of distributions at NAV on the ex-dividend date and adjustment for the spin-off and are net of expenses. Since inception return is based on an initial NAV of \$19.06.</p> <p>(c) Total returns and average annual returns reflect changes in closing market values on the NYSE, reinvestment of distributions and adjustment for the spin-off. Since inception return is based on an initial offering price of \$20.00.</p>					

# The Gabelli Dividend & Income Trust

## Schedule of Investments — March 31, 2018 (Unaudited)

Shares		Market Value	Shares		Market Value
	<b>COMMON STOCKS — 98.2%</b>				
	<b>Aerospace — 2.6%</b>		242,550	Herc Holdings Inc.†	\$ 15,753,623
255,000	Aerojet Rocketdyne Holdings Inc.†	\$ 7,132,350	449,318	Johnson Controls International plc	15,833,966
34,000	Kaman Corp.	2,112,080	83,000	Layne Christensen Co.†	1,238,360
98,500	Rockwell Automation Inc.	17,158,700	152	Sika AG, Cl. B.	1,190,084
1,465,000	Rolls-Royce Holdings plc	17,914,782			<u>39,443,358</u>
64,200	The Boeing Co.	21,049,896			
		<u>65,367,808</u>			
	<b>Agriculture — 0.0%</b>				
2,000	Bunge Ltd.	147,880			
	<b>Automotive — 0.7%</b>				
165,000	Ford Motor Co.	1,828,200	25,000	Aramark	989,000
52,000	General Motors Co.	1,889,680	78,000	Diebold Nixdorf Inc.	1,201,200
263,000	Navistar International Corp.†	9,197,110	164,301	Fly Leasing Ltd., ADR†	2,186,846
84,000	PACCAR Inc.	5,558,280	5,000	Jardine Matheson Holdings Ltd.	308,100
		<u>18,473,270</u>	35,000	JCDecaux SA	1,217,039
			319,000	Macquarie Infrastructure Corp.	11,780,670
			174,000	Mastercard Inc., Cl. A	30,477,840
			57,000	Stericycle Inc.†	3,336,210
			24,000	The Brink's Co.	1,712,400
			25,000	Visa Inc., Cl. A	2,990,500
					<u>56,199,805</u>
	<b>Automotive: Parts and Accessories — 2.7%</b>				
12,713	Adient plc	759,729			
52,676	Aptiv plc	4,475,880	54,000	AMC Networks Inc., Cl. A†	2,791,800
197,000	Dana Inc.	5,074,720	2,445	Charter Communications Inc., Cl. A†	760,933
14,892	Delphi Technologies plc	709,604	15,000	Cogeco Inc.	797,415
352,000	Genuine Parts Co.	31,623,680	215,000	Comcast Corp., Cl. A	7,346,550
7,000	Lear Corp.	1,302,630	199,000	DISH Network Corp., Cl. A†	7,540,110
75,100	O'Reilly Automotive Inc.†	18,578,238	50,000	EchoStar Corp., Cl. A†	2,638,500
65,000	Tenneco Inc.	3,566,550	9,507	Liberty Latin America Ltd., Cl. A†	184,911
10,000	Visteon Corp.†	1,102,400	22,116	Liberty Latin America Ltd., Cl. C†	422,194
		<u>67,193,431</u>	153,000	Rogers Communications Inc., Cl. B	6,836,040
			25,000	WideOpenWest Inc.†	178,750
					<u>29,497,203</u>
	<b>Aviation: Parts and Services — 0.4%</b>				
92,000	Arconic Inc.	2,119,680			
82,000	KLX Inc.†	5,826,920			
21,101	Rockwell Collins Inc.	2,845,470	330,000	<b>Communications Equipment — 0.4%</b>	
		<u>10,792,070</u>		Corning Inc.	9,200,400
	<b>Broadcasting — 1.1%</b>		80,512	<b>Computer Hardware — 0.5%</b>	
24,900	CBS Corp., Cl. A, Voting	1,286,832		Apple Inc.	13,508,303
460,000	Entercom Communications Corp., Cl. A	4,439,000			
15,000	Liberty Broadband Corp., Cl. C†	1,285,350	5,789	<b>Computer Software and Services — 2.0%</b>	
61,763	Liberty Global plc, Cl. A†	1,933,800	5,800	Alphabet Inc., Cl. A†	6,004,003
323,570	Liberty Global plc, Cl. C†	9,846,235	33,130	Alphabet Inc., Cl. C†	5,984,382
12,000	Liberty Media Corp.-		35,000	Black Knight Inc.†	1,560,423
	Liberty SiriusXM, Cl. A†	493,200	214	Blucora Inc.†	861,000
30,000	Liberty Media Corp.-		427	CommerceHub Inc., Cl. A†	4,815
	Liberty SiriusXM, Cl. C†	1,225,500	15,000	CommerceHub Inc., Cl. C†	9,603
101,000	MSG Networks Inc., Cl. A†	2,282,600	45,000	CyrusOne Inc., REIT	768,150
103,317	Tribune Media Co., Cl. A	4,185,372	40,000	Donnelley Financial Solutions Inc.†	772,650
		<u>26,977,889</u>	3,437	DST Systems Inc.	3,346,000
			35,000	DXC Technology Co.	345,522
			930,000	eBay Inc.†	1,408,400
60,000	Armstrong Flooring Inc.†	814,200	20,000	Hewlett Packard Enterprise Co.	16,312,200
70,000	Fortune Brands Home & Security Inc.	4,122,300		Internap Corp.†	220,000
14,500	Gibraltar Industries Inc.†	490,825			

See accompanying notes to schedule of investments.

# The Gabelli Dividend & Income Trust

## Schedule of Investments (Continued) — March 31, 2018 (Unaudited)

Shares		Market Value	Shares		Market Value
	<b>COMMON STOCKS (Continued)</b>				
	<b>Computer Software and Services (Continued)</b>		35,000	Thermo Fisher Scientific Inc. ....	\$ 7,226,100
133,749	Microsoft Corp. ....	\$ 12,207,271			<u>55,438,100</u>
		<u>49,804,419</u>			
	<b>Consumer Products — 3.3%</b>		12,000	<b>Energy and Utilities: Electric — 0.4%</b>	
170,000	Avon Products Inc.† .....	482,800	10,000	ALLETE Inc. ....	867,000
30,000	Church & Dwight Co. Inc. ....	1,510,800	10,000	American Electric Power Co. Inc. ....	685,900
60,000	Coty Inc., Cl. A. ....	1,098,000	10,000	Edison International. ....	636,600
376,000	Edgewell Personal Care Co.† .....	18,356,320	17,000	El Paso Electric Co. ....	867,000
73,000	Energizer Holdings Inc. ....	4,349,340	70,000	Electric Power Development Co. Ltd. ....	1,789,390
100,000	Hanesbrands Inc. ....	1,842,000	15,000	Great Plains Energy Inc. ....	476,850
15,000	Kimberly-Clark Corp. ....	1,651,950	18,000	PG&E Corp. ....	790,740
35,000	Newell Brands Inc. ....	891,800	12,000	Pinnacle West Capital Corp. ....	957,600
24,000	Philip Morris International Inc. ....	2,385,600	60,000	The AES Corp. ....	682,200
7,000	Stanley Black & Decker Inc. ....	1,072,400	25,000	WEC Energy Group Inc. ....	<u>1,567,500</u>
871,000	Swedish Match AB. ....	39,378,488			<u>9,320,780</u>
139,000	The Procter & Gamble Co. ....	<u>11,019,920</u>			
		<u>84,039,418</u>	24,000	<b>Energy and Utilities: Integrated — 1.4%</b>	
	<b>Consumer Services — 0.3%</b>		26,000	Avangrid Inc. ....	1,226,880
51,000	Ashtead Group plc. ....	1,388,125	4,000	Avista Corp. ....	1,332,500
36,279	GCI Liberty Inc., Cl. A† .....	1,917,708	26,000	Black Hills Corp. ....	217,200
853	Liberty Expedia Holdings Inc., Cl. A† .....	33,506	5,000	Chubu Electric Power Co. Inc. ....	370,678
95,000	Liberty Interactive Corp. QVC Group, Cl. A† .....	2,391,150	100,000	CONSOL Energy Inc.† .....	144,850
46,000	ServiceMaster Global Holdings Inc.† .....	<u>2,339,100</u>	20,000	Edison SpA†(a) .....	61,707
		<u>8,069,589</u>	230,000	Endesa SA. ....	440,132
	<b>Diversified Industrial — 4.1%</b>		17,000	Enel SpA. ....	1,406,529
92,000	Bouygues SA. ....	4,608,434	34,000	Eversource Energy. ....	1,001,640
4,000	Crane Co. ....	370,960	401,000	Hawaiian Electric Industries Inc. ....	1,168,920
55,000	Eaton Corp. plc. ....	4,395,050	10,000	Hera SpA. ....	1,467,404
4,000	EnPro Industries Inc. ....	309,520	10,000	Hokkaido Electric Power Co. Inc. ....	65,974
100,000	Estre Ambiental Inc.† .....	999,000	24,000	Hokuriku Electric Power Co.† .....	208,411
50,000	General Cable Corp. ....	1,480,000	45,000	Iberdrola SA, ADR. ....	1,327,050
911,000	General Electric Co. ....	12,280,280	127,000	Korea Electric Power Corp., ADR† .....	1,954,530
150,069	Griffon Corp. ....	2,738,759	40,000	Kyushu Electric Power Co. Inc. ....	479,677
331,000	Honeywell International Inc. ....	47,832,810	29,000	MGE Energy Inc. ....	1,626,900
56,000	ITT Inc. ....	2,742,880	51,000	NextEra Energy Inc. ....	8,329,830
10,000	Jardine Strategic Holdings Ltd. ....	383,400	5,000	NextEra Energy Partners LP. ....	199,950
20,000	Pentair plc. ....	1,362,600	49,000	NiSource Inc. ....	1,171,590
1,000	Roper Technologies Inc. ....	280,690	57,500	OGE Energy Corp. ....	1,884,275
4,000	Sulzer AG. ....	525,105	13,000	Ormat Technologies Inc. ....	732,940
341,500	Textron Inc. ....	20,138,255	30,000	Public Service Enterprise Group Inc. ....	1,507,200
315,000	Toray Industries Inc. ....	<u>2,963,348</u>	58,000	Shikoku Electric Power Co. Inc. ....	691,716
		<u>103,411,091</u>	50,000	The Chugoku Electric Power Co. Inc. ....	607,114
	<b>Electronics — 2.2%</b>		20,000	The Kansai Electric Power Co. Inc. ....	259,198
13,000	Emerson Electric Co. ....	887,900	45,000	Tohoku Electric Power Co. Inc. ....	606,879
175,000	Intel Corp. ....	9,114,000	27,000	Vectren Corp. ....	1,725,840
435,000	Sony Corp., ADR. ....	21,027,900	71,000	Westar Energy Inc. ....	<u>3,733,890</u>
68,000	TE Connectivity Ltd. ....	6,793,200			<u>35,951,404</u>
100,000	Texas Instruments Inc. ....	10,389,000		<b>Energy and Utilities: Natural Gas — 1.4%</b>	
			45,000	CNX Resources Corp.† .....	694,350
			100,000	Kinder Morgan Inc. ....	1,506,000
			362,000	National Fuel Gas Co. ....	18,624,900
			36,666	National Grid plc. ....	412,670

See accompanying notes to schedule of investments.

# The Gabelli Dividend & Income Trust

## Schedule of Investments (Continued) — March 31, 2018 (Unaudited)

Shares		Market Value	Shares		Market Value
	<b>COMMON STOCKS (Continued)</b>				
	<b>Energy and Utilities: Natural Gas (Continued)</b>		6,000	United Utilities Group plc, ADR .....	\$ 121,830
					<u>9,003,378</u>
24,750	National Grid plc, ADR .....	\$ 1,396,643		<b>Entertainment — 2.1%</b>	
14,000	ONEOK Inc. ....	796,880	8,981	Liberty Media Corp.-	
81,000	Sempra Energy .....	9,008,820		Liberty Braves, Cl. Ct. ....	204,946
30,000	South Jersey Industries Inc. ....	844,800	19,000	Take-Two Interactive Software Inc. † .....	1,857,820
44,000	Southwest Gas Holdings Inc. ....	<u>2,975,720</u>	31,733	The Madison Square Garden Co, Cl. A † .....	7,799,971
		<u>36,260,783</u>	174,000	Time Warner Inc. ....	16,456,920
	<b>Energy and Utilities: Oil — 6.0%</b>		172,653	Twenty-First Century Fox Inc., Cl. A .....	6,334,639
118,407	Anadarko Petroleum Corp. ....	7,152,967	238,000	Twenty-First Century Fox Inc., Cl. B .....	8,656,060
37,000	Apache Corp. ....	1,423,760	17,000	Viacom Inc., Cl. A .....	673,200
115,000	BP plc, ADR .....	4,662,100	196,000	Viacom Inc., Cl. B .....	6,087,760
10,121	California Resources Corp. † .....	173,575	154,000	Vivendi SA .....	<u>3,979,279</u>
35,000	Chesapeake Energy Corp. † .....	105,700			<u>52,050,595</u>
158,022	Chevron Corp. ....	18,020,829		<b>Environmental Services — 1.9%</b>	
230,527	ConocoPhillips .....	13,667,946	205,000	Republic Services Inc. ....	13,577,150
95,000	Devon Energy Corp. ....	3,020,050	23,000	Veolia Environnement SA .....	544,641
130,000	Eni SpA, ADR .....	4,592,900	146,869	Waste Connections Inc. ....	10,536,382
118,500	Exxon Mobil Corp. ....	8,841,285	260,000	Waste Management Inc. ....	<u>21,871,200</u>
43,500	Hess Corp. ....	2,201,970			<u>46,529,373</u>
210,000	Marathon Oil Corp. ....	3,387,300		<b>Equipment and Supplies — 1.7%</b>	
260,000	Marathon Petroleum Corp. ....	19,008,600	92,000	CIRCOR International Inc. ....	3,924,720
55,000	Murphy Oil Corp. ....	1,421,200	140,000	Flowserve Corp. ....	6,066,200
200,000	Occidental Petroleum Corp. ....	12,992,000	158,000	Graco Inc. ....	7,223,760
200	PetroChina Co. Ltd., ADR .....	13,948	157,600	Mueller Industries Inc. ....	4,122,816
20,000	Petroleo Brasileiro SA, ADR † .....	282,800	598,000	RPC Inc. ....	10,781,940
128,000	Phillips 66 .....	12,277,760	130,000	Sealed Air Corp. ....	5,562,700
200,000	Repsol SA, ADR .....	3,564,000	46,000	Tenaris SA, ADR .....	1,594,820
230,000	Royal Dutch Shell plc, Cl. A, ADR .....	14,676,300	94,000	The Timken Co. ....	<u>4,286,400</u>
520,000	Statoil ASA, ADR .....	12,298,000			<u>43,563,356</u>
145,000	TOTAL SA, ADR .....	<u>8,365,050</u>		<b>Financial Services — 18.8%</b>	
		<u>152,150,040</u>	8,000	Alleghany Corp. ....	4,915,520
	<b>Energy and Utilities: Services — 1.8%</b>		470,216	American Express Co. ....	43,861,748
52,000	ABB Ltd., ADR .....	1,234,480	395,452	American International	
295,000	Baker Hughes, a GE Company .....	8,192,150		Group Inc. ....	21,520,498
44,000	Diamond Offshore Drilling Inc. † .....	645,040	310,000	Bank of America Corp. ....	9,296,900
408,090	Halliburton Co. ....	19,155,745	13,500	Berkshire Hathaway Inc., Cl. B † .....	2,692,980
49,000	Oceaneering International Inc. ....	908,460	20,000	Blackhawk Network Holdings Inc. † .....	894,000
185,090	Schlumberger Ltd. ....	11,990,130	20,000	BlackRock Inc. ....	10,834,400
15,000	Seventy Seven Energy Inc., Escrow †(a) .....	0	30,000	Cannae Holdings Inc. † .....	565,800
1,225,203	Weatherford International plc † .....	<u>2,805,715</u>	90,339	Citigroup Inc. ....	6,097,883
		<u>44,931,720</u>	54,600	Cohen & Steers Inc. ....	2,220,036
	<b>Energy and Utilities: Water — 0.4%</b>		27,000	Cullen/Frost Bankers Inc. ....	2,863,890
12,000	American States Water Co. ....	636,720	3,500	EXOR NV .....	248,576
32,000	American Water Works Co. Inc. ....	2,628,160	8,000	FCB Financial Holdings Inc., Cl. A † .....	408,800
74,000	Aqua America Inc. ....	2,520,440	95,000	FNF Group .....	3,801,900
50,000	Mueller Water Products Inc., Cl. A .....	543,500	285,000	H&R Block Inc. ....	7,241,850
30,000	Severn Trent plc .....	776,138	30,000	HRG Group Inc. † .....	494,700
29,000	SJW Group .....	1,528,590	37,000	HSBC Holdings plc, ADR .....	1,763,790
8,000	The York Water Co. ....	248,000			

See accompanying notes to schedule of investments.

# The Gabelli Dividend & Income Trust

## Schedule of Investments (Continued) — March 31, 2018 (Unaudited)

Shares		Market Value	Shares		Market Value
	<b>COMMON STOCKS (Continued)</b>				
	<b>Financial Services (Continued)</b>				
49,498	Interactive Brokers Group Inc., Cl. A	\$ 3,328,246	100,000	Maple Leaf Foods Inc.	\$ 2,437,226
170,000	Invesco Ltd.	5,441,700	3,000	McCormick & Co. Inc., Cl. V.	326,535
509,417	JPMorgan Chase & Co.	56,020,587	867,294	Mondelēz International Inc., Cl. A.	36,192,179
135,000	KeyCorp.	2,639,250	30,000	Morinaga Milk Industry Co. Ltd.	1,212,349
30,000	Kinnevik AB, Cl. B.	1,079,307	2,000	National Beverage Corp.	178,040
89,250	KKR & Co. LP	1,811,775	38,000	Nestlé SA	3,005,816
468,452	Legg Mason Inc.	19,042,574	35,000	Nestlé SA, ADR	2,766,750
42,000	M&T Bank Corp.	7,743,120	160,000	Nissin Foods Holdings Co. Ltd.	11,037,075
215,452	Morgan Stanley	11,625,790	1,740,151	Parmalat SpA	6,412,807
72,000	National Australia Bank Ltd., ADR	802,440	339,450	Parmalat SpA, GDR(b)(c)	1,250,330
185,000	Navient Corp.	2,427,200	204,000	PepsiCo Inc.	22,266,600
170,000	New York Community Bancorp Inc.	2,215,100	62,000	Pernod Ricard SA	10,317,949
112,000	Northern Trust Corp.	11,550,560	45,000	Pinnacle Foods Inc.	2,434,500
298,197	Oaktree Specialty Lending Corp.	1,255,409	25,000	Post Holdings Inc.†	1,894,000
167,789	PayPal Holdings Inc.†	12,730,151	25,000	Remy Cointreau SA	3,562,156
75,000	Resona Holdings Inc.	398,172	18,000	Suntory Beverage & Food Ltd.	871,200
205,000	SLM Corp.†	2,298,050	539,000	The Coca-Cola Co.	23,408,770
224,000	State Street Corp.	22,339,520	7,000	The J.M. Smucker Co.	868,070
256,000	T. Rowe Price Group Inc.	27,640,320	273,025	The Kraft Heinz Co.	17,006,727
899,000	The Bank of New York Mellon Corp.	46,325,470	30,000	Unilever plc, ADR	1,666,800
2,000	The Goldman Sachs Group Inc.	503,720	302,000	Yakult Honsha Co. Ltd.	22,507,025
153,000	The Hartford Financial Services Group Inc.	7,882,560			<u>358,656,543</u>
253,000	The PNC Financial Services Group Inc.	38,263,720		<b>Health Care — 8.0%</b>	
118,000	The Travelers Companies Inc.	16,385,480	190,000	Abbott Laboratories	11,384,800
114	Trisura Group Ltd.†	2,285	11,000	Aetna Inc.	1,859,000
51,271	U.S. Bancorp	2,589,185	95,000	Akorn Inc.†	1,777,450
55,000	W. R. Berkley Corp.	3,998,500	5,000	Alexion Pharmaceuticals Inc.†	557,300
550,000	Waddell & Reed Financial Inc., Cl. A	11,115,500	87,090	Allergan plc.	14,656,376
644,000	Wells Fargo & Co.	33,752,040	59,500	AmerisourceBergen Corp.	5,129,495
6,000	Willis Towers Watson plc.	913,140	10,000	Anthem Inc.	2,197,000
		<u>473,844,142</u>	45,000	Baxter International Inc.	2,926,800
			10,000	Becton, Dickinson and Co.	2,167,000
	<b>Food and Beverage — 14.2%</b>		725,000	BioScrip Inc.†	1,783,500
8,000	Ajinomoto Co. Inc.	144,241	54,000	Bristol-Myers Squibb Co.	3,415,500
12,500	Brown-Forman Corp., Cl. B.	680,000	12,500	Cardiovascular Systems Inc.†	274,125
115,000	Campbell Soup Co.	4,980,650	7,000	Chemed Corp.	1,910,020
1,000,000	China Mengniu Dairy Co. Ltd.	3,427,559	15,000	Cigna Corp.	2,516,100
66,000	Chr. Hansen Holding A/S	5,675,569	35,000	DaVita Inc.†	2,307,900
420,000	Conagra Brands Inc.	15,489,600	100,000	Eli Lilly & Co.	7,737,000
30,000	Constellation Brands Inc., Cl. A	6,837,600	130,000	Envision Healthcare Corp.†	4,995,900
237,222	Danone SA	19,185,936	275,000	Evolent Health Inc., Cl. A†	3,918,750
3,900,000	Davide Campari-Milano Spa	29,512,372	40,000	Express Scripts Holding Co.†	2,763,200
80,000	Diageo plc, ADR	10,833,600	40,000	Gerresheimer AG	3,280,383
193,000	Dr Pepper Snapple Group Inc.	22,847,340	64,543	Gilead Sciences Inc.	4,865,897
70,954	Flowers Foods Inc.	1,551,054	45,000	HCA Healthcare Inc.	4,365,000
445,000	General Mills Inc.	20,051,700	35,000	Henry Schein Inc.†	2,352,350
18,000	Heineken Holding NV	1,853,798	9,000	Incyte Corp.†	749,970
275,000	ITO EN Ltd.	10,686,763	35,000	Integer Holdings Corp.†	1,979,250
120,000	Kellogg Co.	7,801,200	122,000	Johnson & Johnson	15,634,300
360,000	Kikkoman Corp.	14,412,857	130,000	Kindred Healthcare Inc.	1,189,500
190,000	Lamb Weston Holdings Inc.	11,061,800	30,000	Laboratory Corp. of America Holdings†	4,852,500

See accompanying notes to schedule of investments.

# The Gabelli Dividend & Income Trust

## Schedule of Investments (Continued) — March 31, 2018 (Unaudited)

Shares		Market Value	Shares		Market Value
<b>COMMON STOCKS (Continued)</b>			<b>Paper and Forest Products — 0.1%</b>		
<b>Health Care (Continued)</b>			<b>Publishing — 0.1%</b>		
11,575	Ligand Pharmaceuticals Inc.†	\$ 1,911,727	64,000	International Paper Co.	\$ 3,419,520
58,349	Mallinckrodt plc†	844,894			
25,000	McKesson Corp.	3,521,750	600	<b>Graham Holdings Co., Cl. B</b>	361,350
40,000	Medtronic plc.	3,208,800	105,000	<b>News Corp., Cl. B</b>	<u>1,690,500</u>
225,179	Merck & Co. Inc.	12,265,500			<u>2,051,850</u>
50,000	Mylan NV†	2,058,500		<b>Real Estate — 0.5%</b>	
220,000	NeoGenomics Inc.†	1,795,200	19,500	Brookfield Asset Management Inc., Cl. A	760,500
45,000	Orthofix International NV†	2,645,100	72,500	Crown Castle International Corp., REIT	7,946,725
114,992	Owens & Minor Inc.	1,788,126	18,000	Forest City Realty Trust Inc., Cl. A, REIT	364,680
116,000	Patterson Cos., Inc.	2,578,680	16,000	QTS Realty Trust Inc., Cl. A, REIT	579,520
624,724	Pfizer Inc.	22,171,455	85,000	Uniti Group Inc., REIT†	1,381,250
30,000	Shire plc, ADR	4,481,700	50,000	Weyerhaeuser Co., REIT	<u>1,750,000</u>
15,000	Stryker Corp.	2,413,800			<u>12,782,675</u>
16,000	The Cooper Companies Inc.	3,660,960		<b>Retail — 3.4%</b>	
27,000	UnitedHealth Group Inc.	5,778,000	2,000	Advance Auto Parts Inc.	237,100
43,000	Zimmer Biomet Holdings Inc.	4,688,720	119,000	AutoNation Inc.†	5,566,820
149,702	Zoetis Inc.	<u>12,501,614</u>	2,200	AutoZone Inc.†	1,427,118
		<u>201,860,892</u>	354,000	CVS Health Corp.	22,022,340
			152,000	Hertz Global Holdings Inc.†	3,017,200
	<b>Hotels and Gaming — 0.5%</b>		135,000	Ingles Markets Inc., Cl. A	4,569,750
19,000	Accor SA	1,025,150	90,000	Lowe's Companies Inc.	7,897,500
100,000	Boyd Gaming Corp.	3,186,000	108,000	Macy's Inc.	3,211,920
150,000	Ladbrokes Coral Group plc	353,555	6,000	MSC Industrial Direct Co. Inc., Cl. A	550,260
52,000	Las Vegas Sands Corp.	3,738,800	39,000	Murphy USA Inc.†	2,839,200
400,000	Mandarin Oriental International Ltd.	956,000	25,000	Rush Enterprises Inc., Cl. B†	1,009,500
20,000	MGM Resorts International	700,400	275,000	Sally Beauty Holdings Inc.†	4,523,750
35,000	Ryman Hospitality Properties Inc., REIT	2,710,750	120,000	Seven & i Holdings Co. Ltd.	5,111,038
6,000	Wyndham Worldwide Corp.	<u>686,580</u>	80,517	Starbucks Corp.	4,661,129
		<u>13,357,235</u>	30,000	The Home Depot Inc.	5,347,200
			188,500	Walgreens Boots Alliance Inc.	12,341,095
			20,000	Walmart Inc.	<u>1,779,400</u>
					<u>86,112,320</u>
				<b>Specialty Chemicals — 2.2%</b>	
	<b>Machinery — 2.1%</b>		1,280	AdvanSix Inc.†	44,518
9,000	Astec Industries Inc.	496,620	35,000	Air Products & Chemicals Inc.	5,566,050
170,000	CNH Industrial NV, Borsa Italiana	2,098,042	70,000	Ashland Global Holdings Inc.	4,885,300
1,140,000	CNH Industrial NV, New York	14,136,000	1,000	Axalta Coating Systems Ltd.†	30,190
88,000	Deere & Co.	13,668,160	343,769	DowDuPont Inc.	21,901,523
3,000	Oshkosh Corp.	231,810	445,000	Ferro Corp.†	10,332,900
289,000	Xylem Inc.	<u>22,229,880</u>	25,000	GCP Applied Technologies Inc.†	726,250
		<u>52,860,512</u>	35,000	International Flavors & Fragrances Inc.	4,791,850
			89,000	Olin Corp.	2,704,710
	<b>Metals and Mining — 1.0%</b>		5,000	Praxair Inc.	721,500
65,000	Agnico Eagle Mines Ltd.	2,734,550	9,000	The Chemours Co.	438,390
20,000	Alliance Holdings GP LP	500,200	192,359	Valvoline Inc.	<u>4,256,905</u>
172,588	Barrick Gold Corp.	2,148,721			<u>56,400,086</u>
8,000	BHP Billiton Ltd., ADR	355,440		<b>Telecommunications — 3.9%</b>	
36,000	Franco-Nevada Corp.	2,456,165	195,000	AT&T Inc.	6,951,750
150,000	Freeport-McMoRan Inc.†	2,635,500			
316,332	Newmont Mining Corp.	12,359,091			
3,200	South32 Ltd., ADR	39,808			
88,004	TimkenSteel Corp.†	<u>1,336,781</u>			
		<u>24,566,256</u>			

See accompanying notes to schedule of investments.



**The Gabelli Dividend & Income Trust**  
**Schedule of Investments (Continued) — March 31, 2018 (Unaudited)**

ADR American Depositary Receipt  
 CVR Contingent Value Right  
 GDR Global Depositary Receipt  
 REIT Real Estate Investment Trust

<u>Geographic Diversification</u>	<u>% of Total Investments</u>	<u>Market Value</u>
<b>Long Positions</b>		
North America . . . . .	81.2%	\$2,045,275,240
Europe . . . . .	13.6	344,356,421
Japan . . . . .	3.8	95,451,005
Latin America . . . . .	1.2	29,614,371
Asia/Pacific . . . . .	0.2	4,492,766
Total Investments . . . . .	<u>100.0%</u>	<u>\$2,519,189,803</u>

See accompanying notes to schedule of investments.

## The Gabelli Dividend & Income Trust

### Notes to Schedule of Investments (Unaudited)

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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 schedule of investments. 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 schedule of investments.

**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 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).

## The Gabelli Dividend & Income Trust

### Notes to Schedule of Investments (Unaudited) (Continued)

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 March 31, 2018 is as follows:

	Valuation Inputs			Total Market Value at 3/31/18
	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	
<b>INVESTMENTS IN SECURITIES:</b>				
<b>ASSETS (Market Value):</b>				
Common Stocks:				
Energy and Utilities: Integrated	\$ 35,889,697	—	\$61,707	\$ 35,951,404
Energy and Utilities: Services	44,931,720	—	0	44,931,720
Food and Beverage	357,079,678	\$ 1,576,865	—	358,656,543
Hotels and Gaming	13,003,680	353,555	—	13,357,235
Other Industries (a)	2,022,064,277	—	—	2,022,064,277
Total Common Stocks	2,472,969,052	1,930,420	61,707	2,474,961,179
Closed-End Funds	3,702,000	—	—	3,702,000
Convertible Preferred Stocks (a)	2,592,760	6,128,000	—	8,720,760
Preferred Stocks (a)	451,700	2,523,229	—	2,974,929
Rights (a)	—	4,000	—	4,000
Convertible Corporate Bonds (a)	—	1,641,690	—	1,641,690
Corporate Bonds (a)	—	823,075	—	823,075
U.S. Government Obligations	—	26,362,170	—	26,362,170
<b>TOTAL INVESTMENTS IN SECURITIES – ASSETS</b>	<b>\$2,479,715,512</b>	<b>\$39,412,584</b>	<b>\$61,707</b>	<b>\$2,519,189,803</b>

(a) Please refer to the Schedule of Investments for the industry classifications of these portfolio holdings.

#### 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. When fair valuing a security, factors to consider include recent prices of comparable securities that are publicly traded, reliable prices of securities not publicly traded, the use of valuation models, current analyst reports, valuing the income or cash flow of the issuer, or cost if the preceding factors do not

## The Gabelli Dividend & Income Trust

### Notes to Schedule of Investments (Unaudited) (Continued)

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apply. A significant change in the unobservable inputs could result in a lower or higher value in Level 3 securities. 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 backtesting the prices realized in subsequent trades of these fair valued securities to fair values previously recognized.

**Limitations on the Purchase and Sale of Futures Contracts, Certain Options, and Swaps.** Subject to the guidelines of the Board, the Fund may engage in “commodity interest” transactions (generally, transactions in futures, certain options, certain currency transactions, and certain types of swaps) only for bona fide hedging or other permissible transactions in accordance with the rules and regulations of the Commodity Futures Trading Commission (“CFTC”). Pursuant to amendments by the CFTC to Rule 4.5 under the Commodity Exchange Act (“CEA”), the Adviser has filed a notice of exemption from registration as a “commodity pool operator” with respect to the Fund. The Fund and the Adviser are therefore not subject to registration or regulation as a commodity pool operator under the CEA. In addition, certain trading restrictions are now applicable to the Fund which permit the Fund to engage in commodity interest transactions that include (i) “bona fide hedging” transactions, as that term is defined and interpreted by the CFTC and its staff, without regard to the percentage of the Fund’s assets committed to margin and options premiums and (ii) non-bona fide hedging transactions, provided that the Fund does not enter into such non-bona fide hedging transactions if, immediately thereafter, either (a) the sum of the amount of initial margin deposits on the Fund’s existing futures positions or swaps positions and option or swaption premiums would exceed 5% of the market value of the Fund’s liquidating value, after taking into account unrealized profits and unrealized losses on any such transactions, or (b) the aggregate net notional value of the Fund’s commodity interest transactions would not exceed 100% of the market value of the Fund’s liquidating value, after taking into account unrealized profits and unrealized losses on any such transactions. Therefore, in order to claim the Rule 4.5 exemption, the Fund is limited in its ability to invest in commodity futures, options, and certain types of swaps (including securities futures, broad based stock index futures, and financial futures contracts). As a result, in the future, the Fund will be more limited in its ability to use these instruments than in the past, and these limitations may have a negative impact on the ability of the Adviser to manage the Fund, and on the Fund’s performance.

**Securities Sold Short.** The Fund may enter into short sale transactions. Short selling involves selling securities that may or may not be owned and, at times, borrowing the same securities for delivery to the purchaser, with an obligation to replace such borrowed securities at a later date. The proceeds received from short sales are recorded as liabilities and the Fund records an unrealized gain or loss to the extent of the difference between the proceeds received and the value of an open short position on the day of determination. The Fund records a realized gain or loss when the short position is closed out. By entering into a short sale, the Fund bears the market risk of an unfavorable change in the price of the security sold short. Dividends on short sales are recorded as an expense by the Fund on the ex-dividend date and interest expense is recorded on the accrual basis. The broker retains collateral for the value of the open positions, which is adjusted periodically as the value of the position fluctuates.

**Investments in other Investment Companies.** The Fund may invest, from time to time, in shares of other investment companies (or entities that would be considered investment companies but are excluded from the

## The Gabelli Dividend & Income Trust

### Notes to Schedule of Investments (Unaudited) (Continued)

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definition pursuant to certain exceptions under the 1940 Act) (the “Acquired Funds”) in accordance with the 1940 Act and related rules. Shareholders in the Fund would bear the pro rata portion of the periodic expenses of the Acquired Funds in addition to the Fund’s expenses. At March 31, 2018, the Fund’s pro rata portion of the periodic expenses charged by the Acquired Funds was approximately less than 1 basis point.

**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 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.

**Restricted Securities.** The Fund is not subject to an independent limitation on the amount it may invest in securities for which the markets are restricted. Restricted securities include securities whose disposition is subject to substantial legal or contractual restrictions. The sale of restricted securities often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than the sale of securities eligible for trading on national securities exchanges or in the over-the-counter markets. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale. Securities freely saleable among qualified institutional investors under special rules adopted by the SEC may be treated as liquid if they satisfy liquidity standards established by the Board. The continued liquidity of such securities is not as well assured as that of publicly traded securities, and accordingly the Board will monitor their liquidity. For the restricted security the Fund held as of March 31, 2018, refer to the Schedule of Investments.

**Tax Information.** 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 GABELLI DIVIDEND & INCOME TRUST**  
**One Corporate Center**  
**Rye, NY 10580-1422**

**Portfolio Management Team Biographies**

**Mario J. Gabelli, CFA**, is Chairman, Chief Executive Officer, and Chief Investment Officer - Value Portfolios of GAMCO Investors, Inc. that he founded in 1977, and Chief Investment Officer - Value Portfolios of Gabelli Funds, LLC and GAMCO Asset Management Inc. He is also Executive Chairman of Associated Capital Group, Inc. Mr. Gabelli is a summa cum laude graduate of Fordham University and holds an MBA degree from Columbia Business School and Honorary Doctorates from Fordham University and Roger Williams University.

**Christopher J. Marangi** joined Gabelli in 2003 as a research analyst. Currently he is a Managing Director and Co-Chief Investment Officer for GAMCO Investors, Inc.'s Value team. In addition, he serves as a portfolio manager of Gabelli Funds, LLC and manages several funds within the Gabelli/GAMCO Fund Complex. Mr. Marangi graduated magna cum laude and Phi Beta Kappa with a BA in Political Economy from Williams College and holds an MBA degree with honors from Columbia Business School.

**Kevin V. Dreyer** joined Gabelli in 2005 as a research analyst covering companies within the consumer sector. Currently he is a Managing Director and Co-Chief Investment Officer for GAMCO Investors, Inc.'s Value team. In addition, he serves as a portfolio manager of Gabelli Funds, LLC and manages several funds within the Gabelli/GAMCO Fund Complex. Mr. Dreyer received a BSE from the University of Pennsylvania and an MBA degree from Columbia Business School.

**Sarah Donnelly** joined Gabelli in 1999 as a junior research analyst working with the consumer staples and media analysts. Currently she is a Portfolio Manager of Gabelli Funds, LLC, a Senior Vice President and the Food, Household and Personal Care products research analyst for Gabelli & Company. In 2013, she was named the Health & Wellness research platform leader. Ms. Donnelly received a BS in Business Administration with a concentration in Finance and minor in History from Fordham University.

**Robert D. Leininger, CFA**, joined GAMCO Investors, Inc. in 1993 as an equity analyst. Subsequently, he was a partner and portfolio manager at Rorer Asset Management before rejoining GAMCO in 2010 where he currently serves as a portfolio manager of Gabelli Funds, LLC. Mr. Leininger is a magna cum laude graduate of Amherst College with a degree in Economics and holds an MBA degree from the Wharton School at the University of Pennsylvania.

**Jeffrey J. Jonas, CFA**, joined Gabelli in 2003 as a research analyst focusing on companies across the healthcare industry. In 2006, he began serving as a portfolio manager of Gabelli Funds, LLC and manages several funds within the Gabelli/GAMCO Fund Complex. Mr. Jonas was a Presidential Scholar at Boston College, where he received a BS in Finance and Management Information Systems.

**Brian C. Sponheimer** is a portfolio manager and research analyst, responsible for coverage of automotive, trucking, and machinery stocks. In 2010, 2011, and 2016, Brian was recognized by various financial publications, including the Wall Street Journal and the Financial Times, as a “Best on the Street” analyst. He began his business career in institutional equities at CIBC World Markets in New York and Boston. Brian graduated cum laude from Harvard University with a BA in Government and received an MBA in Finance and Economics from Columbia Business School.

**Regina M. Pitaro** is a Managing Director and Head of Institutional Marketing at GAMCO Investors, Inc. Ms. Pitaro joined the firm in 1984 and coordinates the organization’s focus with consultants and plan sponsors. She also serves as a Managing Director and Director of GAMCO Asset Management, Inc., and also serves as a portfolio manager for Gabelli Funds, LLC. Ms. Pitaro holds an MBA in Finance from the Columbia University Graduate School of Business, a Master’s degree in Anthropology from Loyola University of Chicago, and a Bachelor’s degree from Fordham University.

We have separated the portfolio managers’ 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 managers’ 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](http://www.gabelli.com).

The Net Asset Value per share appears in the Publicly Traded Funds column, under the heading “General Equity Funds,” in Monday’s The Wall Street Journal. It is also listed in Barron’s Mutual Funds/Closed End Funds section under the heading “General Equity Funds.”

The Net Asset Value per share may be obtained each day by calling (914) 921-5070 or visiting [www.gabelli.com](http://www.gabelli.com).

The NASDAQ symbol for the Net Asset Value is “XGDVX.”

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940, as amended, that the Fund may from time to time purchase its common shares in the open market when the Fund’s shares are trading at a discount of 10% or more from the net asset value of the shares. The Fund may also from time to time purchase its preferred shares in the open market when the preferred shares are trading at a discount to the liquidation value.

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Executive Chairman,  
Associated Capital Group, Inc.

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President,  
Anthony J. Colavita, P.C.

James P. Conn  
Former Managing Director &  
Chief Investment Officer,  
Financial Security Assurance  
Holdings Ltd.

Frank J. Fahrenkopf, Jr.  
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Flom LLP

### TRANSFER AGENT AND REGISTRAR

Computershare Trust Company, N.A.



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