SECURITIES & EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2004

or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OF 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from __________ to

Commission File No. 1-106

GABELLI ASSET MANAGEMENT INC.
(Exact name of Registrant as specified in its charter)

New York	13-4007862
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
One Corporate Center, Rye, New York	10580
(Address of principal executive offices)	(Zip Code)

(914)921-3700
Registrant’s telephone number, including area code

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

Indicate by check mark whether the registrant is an accelerated filer (as defined in Exchange Act Rule 12b-2). Yes X No

Indicate the number of shares outstanding of each of the Registrant’s classes of Common Stock, as of the latest practical date.

Class	Outstanding at October 31, 2004
Class A Common Stock, .001 par value	6,261,228
Class B Common Stock, .001 par value	23,128,500

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GABELLI ASSET MANAGEMENT INC. AND SUBSIDIARIES

GABELLI ASSET MANAGEMENT INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
UNAUDITED
(In thousands, except per share data)

	Three Months Ended September 30,	
	2004	**2003**
Revenues		
Investment advisory and incentive fees	$ 49,685	$ 44,207
Commission revenue	2,962	3,327
Distribution fees and other income	4,590	4,289
Total revenues	57,237	51,823
Expenses		
Compensation and related costs	23,534	21,792
Management fee	2,284	2,193
Other operating expenses	9,468	8,435
Total expenses	35,286	32,420
Operating income	21,951	19,403
Other income (expense)		
Net gain (loss) from investments	(296)	2,804
Interest and dividend income	2,916	1,704
Interest expense	(4,014)	(4,174)
Total other income (expense), net	(1,394)	334
Income before income taxes and minority interest	20,557	19,737
Income tax provision	7,483	7,298
Minority interest	43	137
Net income	$ 13,031	$ 12,302
Net income per share:		
Basic	$ 0.44	$ 0.41
Diluted	$ 0.43	$ 0.41
Weighted average shares outstanding:		
Basic	29,707	30,061
Diluted	31,820	32,170
Dividends declared	$ 1.02	$ 0.00

See accompanying notes.

GABELLI ASSET MANAGEMENT INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
UNAUDITED
(In thousands, except per share data)

	Nine Months Ended September 30,	
	2004	**2003**
Revenues		
Investment advisory and incentive fees	$ 154,928	$124,467
Commission revenue	11,312	8,518
Distribution fees and other income	14,740	12,847
Total revenues	180,980	145,832
Expenses		
Compensation and related costs	72,728	63,191
Management fee	7,558	5,959
Other operating expenses	29,032	24,534
Total expenses	109,318	93,684
Operating income	71,662	52,148
Other income (expense)		
Net gain (loss) from investments	1,949	7,949
Interest and dividend income	6,510	4,328
Interest expense	(12,095)	(10,790)
Total other income (expense), net	(3,636)	1,487
Income before income taxes and minority interest	68,026	53,635
Income tax provision	24,768	20,044
Minority interest	238	405
Net income	$ 43,020	$ 33,186
Net income per share:		
Basic	$ 1.44	$ 1.11
Diluted	$ 1.41	$ 1.10
Weighted average shares outstanding:		
Basic	29,886	30,002
Diluted	32,011	30,134
Dividends declared	$ 1.14	$ 0.00

See accompanying notes.

GABELLI ASSET MANAGEMENT INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
(In thousands)

	September 30, 2004	September 30, 2003	December 31, 2003
	(Unaudited)		
ASSETS			
Cash and cash equivalents	$ 337,830	$ 425,849	$ 386,511
Investments in securities	249,779	182,874	231,400
Investments in partnerships and affiliates	91,149	60,136	64,012
Receivable from brokers	22,620	1,216	1,232
Investment advisory fees receivable	17,894	15,821	21,565
Other assets	25,051	29,788	31,791
Total assets	$ 744,323	$ 715,684	$ 736,511
LIABILITIES AND STOCKHOLDERS' EQUITY			
Payable to brokers	$ -	$ 5,726	$ 5,691
Income taxes payable	5,608	8,603	12,323
Compensation payable	33,871	27,291	25,552
Capital lease obligation	2,751	3,154	3,058
Securities sold, not yet purchased	1,084	669	664
Accrued expenses and other liabilities	16,669	17,493	18,487
Total operating liabilities	59,983	62,936	65,775
5.5% Senior notes (due May 15, 2013)	100,000	100,000	100,000
5% Convertible note (conversion price, $52.00 per share; note due August 14, 2011)	100,000	100,000	100,000
6.95% Mandatory convertible securities (purchase contract settlement date, February 17, 2005; notes due February 17, 2007)	82,308	84,163	84,030
Total liabilities	342,291	347,099	349,805
Minority interest	5,916	7,967	8,395
Stockholders’ equity			
Class A Common Stock, $0.001 par value; 100,000,000 shares authorized; 7,772,525, 7,678,000 and 7,697,600 issued and outstanding, respectively	8	8	8
Class B Common Stock, $0.001 par value; 100,000,000 shares authorized; 23,128,500, 23,130,000 and 23,128,500 issued and outstanding, respectively	23	23	23
Additional paid-in capital	147,381	142,580	143,475
Retained earnings	296,116	240,748	257,266
Accumulated comprehensive gain / (loss)	(624)	(538)	1,480
Treasury stock, at cost (1,349,272, 727,039 and 776,544 shares, respectively)	(46,788)	(22,203)	(23,941)
Total stockholders' equity	396,116	360,618	378,311
Total liabilities and stockholders' equity	$ 744,323	$ 715,684	$ 736,511

See accompanying notes.

GABELLI ASSET MANAGEMENT INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY AND COMPREHENSIVE INCOME
UNAUDITED
(In thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2004	**2003**	**2004**	**2003**
Stockholders' Equity – beginning of period.	$392,803	$347,217	$378,311	$321,793
Comprehensive income:				
Net income.	13,031	12,302	43,020	33,186
Net unrealized gain (loss) on securities available for sale	1,368	(355)	(2,104)	100
Comprehensive income.	14,399	11,947	40,916	33,286
Dividends paid.	(593)	-	(4,171)	-
Stock option expense.	467	434	1,352	1,071
Purchase and retirement of mandatory convertible securities.	15	-	45	10
Exercise of stock options including tax benefit . .	678	1,023	2,510	4,665
Purchase of treasury stock.	(11,653)	(3)	(22,847)	(207)
Stockholders' Equity – end of period.	$396,116	$360,618	$396,116	$360,618

GABELLI ASSET MANAGEMENT INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
UNAUDITED
(In thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2004	**2003**	**2004**	**2003**
Operating activities				
Net income.	$ 13,031	$ 12,302	$ 43,020	$ 33,186
Adjustments to reconcile net income to net cash provided by operating activities:				
Equity in losses and (gains) from partnerships and affiliates	403	(1,513)	(1,562)	(4,157)
Depreciation and amortization	241	242	720	727
Stock-based compensation expense.	467	434	1,352	1,071
Tax benefit from exercise of stock options.	191	320	570	1,084
Minority interest in net income of consolidated subsidiaries	43	137	238	405
Realized gains on available for sale securities . .	-	(83)	(101)	(97)
(Increase) decrease in operating assets:				
Investments in securities.	6,263	13,027	(12,680)	337
Investment advisory fees receivable.	(1,248)	(1,976)	3,671	(218)
Receivables from affiliates.	1,070	(1,265)	5,653	(2,323)
Other receivables.	139	113	361	(309)
Receivable from brokers.	(5,795)	(760)	(21,388)	3,702
Other assets	639	369	5	(499)
Increase (decrease) in operating liabilities:				
Payable to brokers	(1)	(469)	(5,692)	(11,412)
Income taxes payable	1,365	1,740	(5,463)	(652)
Compensation payable	4,335	5,951	8,692	8,814
Accrued expenses and other liabilities	517	(229)	(2,120)	1,629
Securities sold, not yet purchased.	15	(73)	419	(4,353)
Total adjustments	8,644	15,965	(27,325)	(6,251)
Net cash provided by operating activities	21,675	28,267	15,695	26,935
Investing activities				
Purchases of available for sale securities.	(822)	(7,165)	(9,927)	(8,369)
Proceeds from sales of available for sale securities	-	800	600	900
Distributions from partnerships and affiliates. . .	2,552	3,093	12,509	12,942
Investments in partnerships and affiliates.	(727)	(4,695)	(38,084)	(20,989)
Net cash provided by(used in) investing activities.	1,003	(7,967)	(34,902)	(15,516)
Financing activities				
Purchase of minority stockholders' interest	-	-	(2,718)	-
Issuance of Senior notes.	-	-	-	100,000
Dividends paid.	(593)	-	(4,171)	-
Proceeds from exercise of stock options	487	703	1,939	3,580
Purchase of mandatory convertible securities. . . .	(547)	-	(1,677)	(373)
Purchase of treasury stock.	(11,653)	(3)	(22,847)	(207)
Net cash provided by (used in)financing activities.	(12,306)	700	(29,474)	103,000
Net increase(decrease) in cash and cash equivalents	10,372	21,000	(48,681)	114,419
Cash and cash equivalents at beginning of period. .	327,458	404,849	386,511	311,430
Cash and cash equivalents at end of period.	$337,830	$425,849	$337,830	$425,849

See accompanying notes.

A. Basis of Presentation

Unless we have indicated otherwise, or the context otherwise requires, references in this report to "Gabelli Asset Management Inc.," "Gabelli," "we," "us" and "our" or similar terms are to Gabelli Asset Management Inc., its predecessors and its subsidiaries.

The unaudited interim Condensed Consolidated Financial Statements of Gabelli Asset Management Inc. included herein have been prepared in conformity with U.S. generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all the information and footnotes required by U.S. generally accepted accounting principles for complete financial statements. In the opinion of management, the unaudited interim condensed consolidated financial statements reflect all adjustments, which are of a normal recurring nature, necessary for a fair presentation of financial position, results of operations and cash flows of Gabelli for the interim periods presented and are not necessarily indicative of a full year's results.

In preparing the unaudited interim condensed consolidated financial statements, management is required to make estimates and assumptions that affect the amounts reported in the financial statements. Actual results could differ from those estimates.

These financial statements should be read in conjunction with our audited consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2003, from which the accompanying Condensed Consolidated Statement of Financial Condition was derived.

B. Investments in Securities

Management determines the appropriate classification of debt and equity securities at the time of purchase and reevaluates such designation as of each balance sheet date. A substantial portion of investments in securities are held for resale in anticipation of short-term market movements and classified as trading securities. Available for sale investments are stated at fair value, with any unrealized gains or losses, net of deferred taxes, reported as a component of stockholders' equity.

At September 30, 2004 and 2003 the market value of investments available for sale was $73.1 million and $17.5 million, respectively. An unrealized loss in market value, net of taxes, of $624,000 and $538,000 has been included in stockholders' equity for September 30, 2004 and 2003, respectively.

There were no sales of investments available for sale for the three month period ended September 30, 2004. Proceeds from sales of investments available for sale were approximately $0.6 million for the nine month period ended September 30, 2004. For the first nine months of 2004, gross gains on the sale of investments available for sale amounted to $101,000; there were no gross losses on the sale of investments available for sale. Proceeds from sales of investments available for sale were approximately $0.8 million for the three month period ended September 30, 2003. For the first three months of 2003, gross gains on the sale of investments available for sale amounted to $83,000; there were no gross losses on the sale of investments available for sale. Proceeds from sales of investments available for sale were approximately $0.9 million for the nine month period ended September 30, 2003. For the first nine months of 2003, gross gains on the sale of investments available for sale amounted to $97,000; there were no gross losses on the sale of investments available for sale.

C. Earnings Per Share

The computations of basic and diluted net income per share are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands, except per share amounts)	2004	2003	2004	2003
Basic:				
Net income	$ 13,031	$ 12,302	$ 43,020	$ 33,186
Average shares outstanding	29,707	30,061	29,886	30,002
Basic net income per share	$ 0.44	$ 0.41	$ 1.44	$ 1.11
Diluted:				
Net income	$ 13,031	$ 12,302	$ 43,020	$ 33,186
Add interest expense on convertible note, net of management fee and taxes	716	770	2,147	-
Total	$ 13,747	$ 13,072	$ 45,167	$ 33,186
Average shares outstanding	29,707	30,061	29,886	30,002
Dilutive stock options	190	186	202	132
Assumed conversion of convertible note	1,923	1,923	1,923	-
Total	31,820	32,170	32,011	30,134
Diluted net income per share	$ 0.43	$ 0.41	$ 1.41	$ 1.10

For the nine months ended September 30, 2003 the assumed conversion of the convertible note would not be dilutive and, accordingly, has not been used in the computation of the weighted average diluted shares.

D. Stockholders' Equity

Stock Award and Incentive Plan

On February 18, 2003 the Board of Directors approved stock option awards totaling 633,000 shares under our Stock Award and Incentive Plan at an exercise price to be equal to the closing market price on the date of grant. Of these options 561,000 were granted on February 18, 2003 at an exercise price of $28.95 per share and 72,000 were granted on May 13, 2003 at an exercise price of $29.00 per share. On May 11, 2004, the Board of Directors approved stock option awards totaling 40,000 shares under our Stock Award and Incentive Plan at an exercise price of $39.65 per share. These options will vest 75% after three years and 100% after four years from the date of grant and expire after ten years. We adopted SFAS 123, "Accounting for Stock-Based Compensation" ("SFAS 123") as of January 1, 2003 in accordance with SFAS 148, "Accounting for Stock-Based Compensation – Transition and Disclosure" ("SFAS 148") and used the prospective method for transition. Under SFAS 123 we record compensation expense equal to the fair value of the options on the date of grant based on the Black-Scholes option pricing model. This model utilizes a number of assumptions in arriving at its results, including an estimate of the life of the option, the risk-free interest rate at the date of grant and the volatility of the underlying common stock. The weighted average fair value of the options granted on the date of grant and the assumptions used were as follows:

	February 18, 2003	May 11, 2004
Weighted average fair value of Options granted:	$10.96	$13.04
Assumptions made:		
Expected volatility	38%	33%
Risk-free interest rate	2.99%	2.50%
Expected life	5 years	5 years
Dividend yield	0%	0.20%

D. Stockholders' Equity *(continued)*

The expected life reflected an estimate of the length of time the employees are expected to hold the options, including the vesting period, and is based, in part, on actual experience with other grants. The dividend yield for the February 18, 2003 grant reflected the assumption that no or an immaterial payout would be made in the foreseeable future at that time. The dividend yield for the May 11, 2004 grant reflected the assumption that we would continue our current policy of a $0.02 per share quarterly dividend. For the three months ended September 30, 2004 and 2003, we recognized $467,000 and $434,000, respectively, in stock based compensation. For the nine months ended September 30, 2004 and 2003, we recognized $1,352,000 and $1,119,000, respectively, in stock-based compensation.

Proceeds from the exercise of 22,900 and 40,389 stock options were $487,000 and $703,000 for the three months ended September 30, 2004 and 2003, respectively, resulting in a tax benefit to Gabelli of $191,000 and $320,000 for the three months ended September 30, 2004 and 2003, respectively.

Proceeds from the exercise of 81,025 and 207,156 stock options were $1,939,000 and $3,580,000 for the nine months ended September 30, 2004 and 2003, respectively, resulting in a tax benefit to Gabelli of $570,000 and $1,084,000 for the nine months ended September 30, 2004 and 2003, respectively.

On September 30, 2004 we had 29,557,853 shares outstanding, which is approximately 2% lower than our shares outstanding of 30,080,856 at the end of the third quarter 2003 and approximately 1% below shares outstanding of 29,822,853 on June 30, 2004.

On September 30, 2004, we paid a $0.02 quarterly dividend to all shareholders of record on September 15, 2004.

Prior to January 1, 2003 we applied Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees," and related interpretations in accounting for our stock option plan. Accordingly, no compensation expense was recognized where the exercise price equals or exceeds the market price of the underlying stock on the date of grant.

Effective January 1, 2003 we adopted the fair value recognition provisions of SFAS No. 123 in accordance with the transition and disclosure provisions under the recently issued SFAS No. 148, "Accounting for Stock Based Compensation – Transition and Disclosure".

If we had elected for 2001 and 2002 to account for our stock options under the fair value method of SFAS No. 123 "Accounting for Stock Based Compensation," our net income and net income per share would have been reduced to the pro forma amounts indicated below:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2004	2003	2004	2003
Net income (in thousands):				
As reported	$ 13,031	$ 12,302	$ 43,020	$ 33,186
Pro forma	$ 12,922	$ 11,840	$ 42,911	$ 32,725
Net income per share – Basic				
As reported	$ 0.44	$ 0.41	$ 1.44	$ 1.11
Pro forma	$ 0.44	$ 0.40	$ 1.44	$ 1.10
Net income per share – Diluted				
As reported	$ 0.43	$ 0.41	$ 1.41	$ 1.10
Pro forma	$ 0.43	$ 0.40	$ 1.41	$ 1.09

Stock Repurchase Program

In March 1999 the Board of Directors established the Stock Repurchase Program through which we are authorized to repurchase shares of our Class A common stock. The Board of Directors, during the third quarter 2004, authorized the repurchase of an additional $25.0 million of our Class A common stock. For the three and nine months ended September 30, 2004, we repurchased 287,900 shares at an average cost of $40.46 and 572,727 shares at an average cost of $39.87 per share, respectively. Since the inception of the program we have repurchased 1,750,076 shares at an average cost of $30.30 per share. At September 30, 2004 the total amount available to repurchase shares under the program was approximately $26.3 million.

Since May 2002 the Board of Directors has also approved the repurchase of up to 900,000 shares of our mandatory convertible securities. The Board of Directors, during the third quarter 2004, authorized an additional allocation available to repurchase our mandatory convertible securities bringing the total authorization up to $25 million. During the third quarter and first nine months of 2004, we repurchased 22,500 shares at an average investment of $24.10 per share and 68,900 shares at an average investment of $24.67 per share, respectively, bringing the total shares repurchased to 307,700 at a total investment of $6.9 million. A gain attributable to the debt component of the mandatory convertible securities totaling $24,000 and $34,000 has been included in other income (expense) for both the three and nine months ended September 30, 2004, respectively. During the third quarter of 2003, no shares were repurchased in the open market. For the nine month period ended September 30, 2003, the Company repurchased 15,300 shares at an average investment of $19.02 per share. A gain attributable to the debt component of the mandatory convertible securities totaling $87,000 has been included in other income (expense) for the nine months ended September 30, 2003. At September 30, 2004 there remains $25.0 million authorized for repurchase under the program.

E. Subsequent Events

During October 2004, we repurchased 184,100 shares of our Class A common stock through the end of the month, under the Stock Repurchase Program, at an average investment of $44.65 per share.

On October 5, 2004 the Company announced that the Board of Directors authorized the repurchase of an additional 1 million shares of its Class A common stock. On the same date, the Board of Directors approved a change in the payment date for the special $1.00 per share dividend to November 30, 2004 with a record date of November 15, 2004. Subsequently, the Board of Directors also approved a change in the record and payable date for the Class B shareholders to December 23, 2004.

During November 2004, the notes of the holders of our mandatory convertible securities will be remarketed and the interest rate reset. In the event of a successful remarketing, the interest rate to be in effect on and after November 17, 2004 for the notes will be approximately 5%. On November 3, 2004 the reset spread of 232 basis points (2.32%) and the Two-Year Benchmark Treasury (CUSIP: 9128Z8BX5, Maturity date: February 15, 2007) was announced.

ITEM 2: MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (INCLUDING QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK)

Overview

Gabelli Asset Management Inc. (NYSE: GBL) is a widely recognized provider of investment advisory and brokerage services to mutual funds, institutional and high net worth investors, principally in the United States. We generally manage assets on a discretionary basis and invest in a variety of U.S. and international securities through various investment styles.

We have focused on a simple mission since our founding in 1977: to earn a superior risk-adjusted return for our clients over the long-term by providing value-added products through our proprietary Private Market Value (PMV) with a Catalyst fundamental research. Today, in addition to our Gabelli value products, we offer our clients a broad array of investment strategies that include growth, convertible, non-market correlated and fixed income strategies. By earning returns for our clients, we will be earning returns for all our stakeholders.

Our revenues are highly correlated to the level of assets under management, which are directly influenced by the value of the overall equity markets. Assets under management can also increase through acquisitions, the creation of new products and the addition of new accounts. Since various equity products have different fees, changes in our business mix may also affect revenues. At times, the performance of our equity products may differ markedly from popular market indices, and this can also impact our revenues. It is our belief that general stock market trends will have the greatest impact on our level of assets under management and hence, revenues. This becomes increasingly likely as the base of assets grows.

As of September 30, 2004, we had $27.2 billion of assets under management, approximately 93.1% of which were invested in equity securities. We conduct our investment advisory business principally through three subsidiaries: GAMCO Investors, Inc. (Separate Accounts), Gabelli Funds, LLC (Mutual Funds) and Gabelli Securities, Inc. (Alternative Investments). We also act as underwriter and distributor of our open-end mutual funds and provide institutional research through Gabelli & Company, Inc., our broker-dealer subsidiary.

On September 3, 2003, the New York Attorney General's office ("NYAG") announced that it had found evidence of widespread improper trading involving mutual fund shares. These transactions included the "late trading" of mutual fund shares after the 4:00 p.m. pricing cutoff and "time zone arbitrage" of mutual fund shares designed to exploit pricing inefficiencies. Since the NYAG's announcement, the NASD, the SEC, the NYAG and officials of other states have been conducting inquiries into and bringing enforcement actions related to trading abuses in mutual fund shares. We received information requests and subpoenas from the SEC and from the NYAG in connection with their inquiries. We are complying with these requests and have been conducting an internal review of our mutual fund practices and procedures in a variety of areas with the guidance of outside counsel. A special committee of our independent directors was also formed to review various issues involving mutual fund share transactions and has been assisted by independent counsel.

As part of our review, hundreds of documents were examined and approximately fifteen individuals were interviewed. We found no evidence that any employee participated in or facilitated any "late trading". We also found no evidence of any improper trading in our mutual funds by our investment professionals or senior executives. As we previously reported, we did find that in August of 2002, we banned an account, which had been engaging in frequent trading in our Global Growth Fund (the prospectus of which did not impose limits on frequent trading) and which had made a small investment in one of our hedge funds, from further transactions with our firm. Certain other investors had been banned prior to that. Since our internal review and requests from regulators are ongoing, we can make no assurances that additional information will not become available or that we will not become subject to disciplinary action.

We have issued three press releases (October 9, 2003; November 19, 2003; October 11, 2004) regarding these regulatory developments and the various initiatives we have taken since 1998. These releases may be found on our website (www.gabelli.com).

The following discussion should be read in conjunction with the Condensed Consolidated Financial Statements and the notes thereto included in Item 1 to this report.

RESULTS OF OPERATIONS

Three Months Ended September 30, 2004 Compared To Three Months Ended September 30, 2003

Consolidated Results – Three Months Ended September 30:

(Unaudited; in thousands, except per share data)

	2004	2003
Revenues	$ 57,237	$ 51,823
Expenses	35,286	32,420
Operating income	21,951	19,403
Investment income, net	2,620	4,508
Interest expense	(4,014)	(4,174)
Total other income (expense), net	(1,394)	334
Income before taxes and minority interest	20,557	19,737
Income tax provision	7,483	7,298
Minority interest	43	137
Net income	$ 13,031	$ 12,302
Net income per share:		
Basic	$ 0.44	$ 0.41
Diluted	$ 0.43	$ 0.41

Reconciliation of Net income to Adjusted EBITDA:

	2004	2003
Net income	$ 13,031	$ 12,302
Interest expense	4,014	4,174
Income tax provision and minority interest	7,526	7,435
Depreciation and amortization	241	242
Adjusted EBITDA(a)	$ 24,812	$ 24,153

(a) Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortization, and minority interest. Adjusted EBITDA is a Non-GAAP measure and should not be considered as an alternative to any measure of performance as promulgated under U.S. generally accepted accounting principles nor should it be considered as an indicator of our overall financial performance. We use Adjusted EBITDA as a supplemental measure of performance as we believe it gives investors a more complete understanding of our operating results before the impact of investing and financing activities as a tool for determining the private market value of an enterprise.

Total revenues were $57.2 million in the third quarter of 2004 up $5.4 million or 10.4% from total revenues of $51.8 million reported in the third quarter of 2003. Investment advisory and incentive fees, which comprised 86.8% of total revenues, were $49.7 million in the third quarter of 2004, $5.5 million or 12.4% higher than the $44.2 million reported in the third quarter of 2003 which comprised 85.3% of total revenues. The increase in investment advisory and incentive fees was principally the result of higher levels of assets under management in our equity mutual funds and our institutional and high net worth equity separate accounts. Revenues from mutual funds increased $3.6 million or 15.0% from the prior year as assets under management in mutual funds increased to $12.8 billion on September 30, 2004, or 18.1% ahead of the September 30, 2003 assets under management of $10.8 billion. The increase in assets under management included the addition of two new closed-end funds, The Gabelli Dividend & Income Trust ("GDV") in November 2003 and The Gabelli Global Utility & Income Trust ("GLU") in May 2004. Our fees from GAMCO separate accounts, which are generally billed based on asset levels at the beginning of a quarter, increased $3.2 million or 18.7% in the third quarter of 2004 as compared to the third quarter of 2003. Our revenues will be negatively impacted in the fourth quarter when a sub-advisory client will transfer out one of its three portfolios from our management. We were retained to manage this account four years ago. The sponsor was recently taken over by a larger entity. Revenues from our alternative investment products decreased $1.3 million or 38.6% resulting from a claw back in incentive fees of approximately $2.0 million offset partially by higher management fees as assets under management increased

36.0% to $934 million on September 30, 2004 from $687 million on September 30, 2003.

Commission revenue was $3.0 million in the third quarter of 2004, lower by 11.0% from $3.3 million in the same period a year earlier largely due to a decrease in overall trading volume.

Revenues from distribution of mutual funds and other income were $4.6 million in the third quarter of 2004 versus $4.3 million in the third quarter of 2003. This increase was a result of a 2.2% increase in average assets for open-end equity funds for the third quarter of 2004 versus the prior year's quarter, which generate distribution revenues under 12b-1 compensation plans. The effect of the Mutual Fund Reform Act of 2004, if enacted, and other congressional and SEC actions pose a risk to our future distribution fee revenue as 12b-1 fees may be repealed or restricted.

Total expenses, excluding management fee, were $33.0 million in the third quarter of 2004, a 9.2% increase from total expenses of $30.2 million reported in the third quarter of 2003. Compensation and related costs, which are largely variable, were $23.5 million in the third quarter of 2004, an increase of 8.0% from the same period a year earlier. The increase in compensation was due to increased variable compensation related to our Mutual Fund products of $1.3 million, an increase in variable compensation related to our GAMCO separate accounts of $0.9 million and an increase in salaries and accruals for incentive compensation totaling $0.8 million. However, as a percent of revenues, these costs declined to 41.1% in the third quarter of 2004 from 42.1% in the 2003 quarter. Management fee expense, which is totally variable and based on pretax income, was 4.1% higher at $2.3 million in the third quarter of 2004 versus $2.2 million in the third quarter of 2003. Other operating expenses were higher by $1.1 million, a 12.2% increase to $9.5 million in the third quarter of 2004 from the prior year third quarter of $8.4 million due to distribution and service costs related to our new closed-end funds and additional insurance, legal and accounting expenses partially related to compliance with section 404 of the Sarbanes-Oxley Act of 2002 as well as other regulatory and corporate governance initiatives. Included in distribution and service costs are $1.0 million relating to the initial inclusion of GDV and GLU in the third quarter 2004. Our operating expenses will likely continue to increase through this year as we incur additional costs to comply with Sarbanes-Oxley and new SEC rules including those relating to investment advisers and investment company compliance programs.

For the third quarter 2004, we experienced a loss of $1.4 million from our investments and net interest expense versus a net benefit of $0.3 million in the 2003 quarter. The net return from our corporate investment portfolio declined to $2.6 million in the 2004 third quarter from $4.5 million in the prior year's quarter. Interest expense decreased to $4.0 million in the third quarter of 2004 from $4.2 million in the comparable prior year quarter. This decrease is a result of a one percentage point decrease in the interest rate on the $100 million convertible note from 6% to 5% in August 2003.

The estimated effective tax rate for the third quarter of 2004 decreased to 36.4% from 37.6% in the third quarter of 2003 as we adjusted the tax rate to reflect our estimate of the current year end tax liability.

Nine Months Ended September 30, 2004 Compared To Nine Months Ended September 30, 2003

Consolidated Results – Nine Months Ended September 30:

	(Unaudited; in thousands, except per share data)	
	2004	2003
Revenues	$ 180,980	$ 145,832
Expenses	109,318	93,684
Operating income	71,662	52,148
Investment income, net	8,459	12,277
Interest expense	(12,095)	(10,790)
Total other income (expense), net	(3,636)	1,487
Income before taxes and minority interest	68,026	53,635
Income tax provision	24,768	20,044
Minority interest	238	405
Net income	$ 43,020	$ 33,186
Net income per share:		
Basic	$ 1.44	$ 1.11
Diluted	$ 1.41	$ 1.10

Reconciliation of Net income to Adjusted EBITDA:

	2004	2003
Net income	$ 43,020	$ 33,186
Interest expense	12,095	10,790
Income tax provision and minority interest	25,006	20,449
Depreciation and amortization	720	727
Adjusted EBITDA(a)	$ 80,841	$ 65,152

(a) Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortization, and minority interest. Adjusted EBITDA is a Non-GAAP measure and should not be considered as an alternative to any measure of performance as promulgated under U.S. generally accepted accounting principles nor should it be considered as an indicator of our overall financial performance. We use Adjusted EBITDA as a supplemental measure of performance as we believe it gives investors a more complete understanding of our operating results before the impact of investing and financing activities as a tool for determining the private market value of an enterprise.

Total revenues were $181.0 million in the first nine months of 2004 up $35.2 million or 24.1% from total revenues of $145.8 million reported in the first nine months of 2003. Investment advisory and incentive fees, which comprised 85.6% of total revenues, were $154.9 million in the first nine months of 2004, $30.4 million or 24.5% higher than the $124.5 million reported in the first nine months of 2003 which comprised 85.3% of total revenues. The increase in investment advisory and incentive fees was principally the result of higher levels of assets under management in our equity mutual funds and our institutional and high net worth equity separate accounts. Revenues from mutual funds increased $18.1 million or 27.0% from the prior year as assets under management in mutual funds increased to $12.8 billion on September 30, 2004, or 18.1% ahead of the September 30, 2003 assets under management of $10.8 billion. The increase in assets under management included the addition of our new closed-end funds, The Gabelli Dividend & Income Trust (“GDV”) in November 2003 and The Gabelli Global Utility & Income Trust (“GLU”) in May 2004. Our fees from GAMCO separate accounts, which are generally billed based on asset levels at the beginning of a quarter, increased $14.6 million or 29.9% in the first nine months of 2004 as compared to the first nine months of 2003. Our revenues will be negatively impacted in the fourth quarter when a sub-advisory client will transfer out one of its three portfolios from our management. We were retained to manage this account four years ago. The sponsor was recently taken over by a larger entity. Revenues from our alternative investment products decreased $2.2 million or 25.5% resulting from a claw back in incentive fees of approximately $4.4 million offset partially by higher management fees as assets under management increased to $934 million on September 30, 2004, or 36.0% ahead of September 20, 2003 assets under management of $687 million.

Commission revenue was $11.3 million in the first nine months of 2004, up 32.8% from $8.5 million in the same period a year earlier largely due to an increase in overall trading volume.

Revenues from distribution of mutual funds and other income were $14.7 million in the first nine months of 2004 versus $12.8 million in the first nine months of 2003. This increase was a result of a 14.4% increase in average assets for open-end equity funds for the first nine months of 2004 versus the prior year's comparable period, which generate distribution revenues under 12b-1 compensation plans. The effect of the Mutual Fund Reform Act of 2004, if enacted, and other congressional and SEC actions pose a risk to our future distribution fee revenue as 12b-1 fees may be repealed or restricted.

Total expenses, excluding management fee, were $101.8 million in the first nine months of 2004, a 16.0% increase from total expenses of $87.7 million reported in the first nine months of 2003. Compensation and related costs, which are largely variable, were $72.7 million for the first nine months of 2004, an increase of 15.1% from the same period a year earlier. The increase in compensation was due to increased variable compensation related to our Mutual Fund products of $5.4 million, an increase in variable compensation related to our GAMCO separate accounts of $3.6 million and an increase in salaries, accruals for incentive compensation and stock option expense totaling $2.4 million. However, as a percent of revenues, these costs declined to 40.2% in the first nine months of 2004 from 43.3% in the 2003 comparable period. Management fee expense, which is totally variable and based on pretax income, was 26.8% higher at $7.6 million in the first nine months of 2004 versus $6.0 million in the first nine months of 2003. Other operating expenses were higher by $4.5 million, an 18.3% increase to $29.0 million in the first nine months of 2004 from the prior year first nine months of $24.5 million due to distribution and service costs related to our new closed-end funds and additional insurance, legal and accounting expenses partially related to compliance with section 404 of Sarbanes-Oxley Act of 2002 as well as other regulatory and corporate governance initiatives. Included in distribution and service costs are $3.3 million relating to the initial inclusion of GDV and GLU in the first nine months of 2004, of which $400,000 related to non-recurring costs of the initial public offering of GLU. Our operating expenses will likely continue to increase through this year as we incur additional costs to comply with Sarbanes-Oxley and new SEC rules including those relating to investment advisers and investment company compliance programs.

Investment income was $8.5 million in the first nine months of 2004 lower by $3.8 million, or 31.1% from $12.3 million reported in the first nine months of 2003 due to a shortfall from our corporate investment portfolio. Interest expense increased to $12.1 million in the first nine months of 2004 from $10.8 million in the comparable period of the prior year. This increase is a result of our issuance of $100 million of 5.5% non-callable senior notes due May 15, 2013 during the second quarter of 2003, offset in part by a one percentage point decrease in the interest rate on the $100 million convertible note from 6% to 5% in August 2003.

The estimated effective tax rate for the first nine months of 2004 decreased to 36.4% from 37.6% in 2003 as we adjusted the tax rate to reflect our estimate of the current year end tax liability.

LIQUIDITY AND CAPITAL RESOURCES

Our assets are primarily liquid, consisting mainly of cash, short term investments, securities held for investment purposes and investments in partnerships and affiliates in which we are a general partner, limited partner or investment manager. Investments in partnerships and affiliates are generally illiquid, however the underlying investments in such entities are generally liquid and the valuations of the investment partnerships and affiliates reflect this underlying liquidity.

Summary cash flow data is as follows:

	Nine Months Ended September 30,	
	2004	2003
Cash flows provided by (used in):	(in thousands)	
Operating activities	$ 15,695	$ 26,935
Investing activities	(34,902)	(15,516)
Financing activities	(29,474)	103,000
(Decrease) increase	(48,681)	114,419
Cash and cash equivalents at beginning of period	386,511	311,430
Cash and cash equivalents at end of period	$ 337,830	$ 425,849

Cash requirements and liquidity needs have historically been met through cash generated by operating activities and through our borrowing capacity. We have received investment grade ratings from both Moody's Investors Services and Standard & Poor's Rating Services. These investment grade ratings expand our ability to attract both public and private capital. At September 30, 2004, we had total cash and cash equivalents of $337.8 million, a decrease of $48.7 million from December 31, 2003. Gabelli has established a collateral account, consisting of cash and cash equivalents and investments in securities totaling $103.9 million, to secure a letter of credit issued in favor of the holder of the $100 million convertible note. The letter of credit was extended on August 4, 2004 and now expires on April 9, 2005. The holder of the note also has a put option, which was also extended on August 4, 2004 and now has an exercise date of April 1, 2005. Cash and cash equivalents and investments in securities held in the collateral account are restricted from other uses until the date of expiration. Total debt on September 30, 2004 was $282.3 million, consisting of the $100 million 5% convertible note, $100 million of 5.5% non-callable senior notes due May 15, 2013 and $82.3 million in mandatory convertible securities. Our mandatory convertible securities consist of (a) a purchase contract under which holders will purchase shares of our Class A common stock and (b) notes due February 17, 2007. The purchase contract obligates current holders to purchase, on February 17, 2005, newly issued shares of our Class A common stock. The notes that currently bear interest at 6% will be remarketed and the interest rate reset in November 2004. The settlement of the purchase contract will result in the receipt of additional proceeds and the issuance of Class A common shares. The total number of shares to be issued will be approximately 1.8 million if the market price of GBL is $46.50 or greater, approximately 2.1 million if the market price of GBL is $39.40 or less, and within this range if the market price of GBL is between $39.40 and $46.50. The applicable market price is the average closing price per share of our Class A common stock (NYSE: GBL) on each of the twenty consecutive trading days ended on the third trading day immediately preceding February 17, 2005. Following a successful remarketing and the satisfaction of the purchase contract in February 2005, we will have approximately $82 million of notes due in February 2007 based on the current amount of mandatory convertible securities outstanding. Also, the newly issued Class A shares will be included in our calculation of earnings per share. Assuming no further stock repurchases and further assuming that the maximum number of shares (approximately 2.1 million) are issued, the impact of the share issuance on our earnings will be a reduction of approximately 6% on a per share basis.

Cash provided by operating activities was $15.7 million in the first nine months of 2004 principally from a $8.7 million increase in compensation payable and $43.0 million in net income partially offset by a $12.7 million increase in investments in securities and a $21.4 million increase in receivable from brokers. Cash provided by operating activities was $26.9 million in the first nine months of 2003 principally resulting from $33.2 million in net income and $8.8 million increase in compensation payable partially offset by a $11.4 million reduction in payable to brokers and $4.4 million reduction in securities sold, not yet purchased.

Cash used in investing activities, related to investments in and distributions from partnerships and affiliates and purchases and sales of available for sale securities, was $34.9 million in the first nine months of 2004. Cash used by investing activities, related to investments in and distributions from partnerships and affiliates, was $15.5 million in the first nine months of 2003.

Cash used in financing activities in the first nine months of 2004 was $29.5 million. The decrease in cash principally resulted from the repurchase of our Class A common stock and mandatory convertible securities under the respective Stock Repurchase Programs of $24.5 million, dividend payments of $4.2 million and the $50 per share dividend paid by our 92% owned subsidiary, Gabelli Securities, Inc., to its shareholders resulting in a payment to minority shareholders of $2.7 million and partially offset by the $1.9 million received from the exercise of non-qualified stock options that further generated cash tax savings of $0.6 million. As further background, our mandatory convertible securities consist of (a) a purchase contract under which holders will purchase shares of our Class A common stock and (b) notes due February 17, 2007. The purchase contract obligates current holders to purchase, on February 17, 2005, newly issued shares of our Class A common stock. The notes that currently bear interest at 6% will be remarketed and the interest rate reset in November 2004. The total number of shares to be issued will be approximately 1.8 million if the market price of GBL is $46.50 or greater, approximately 2.1 million if the market price of GBL is $39.40 or less, and within this range if the market price of GBL is between $39.40 and $46.50. Following a successful remarketing and the satisfaction of the purchase contract in February 2005, we will have approximately $82 million of notes due in February 2007 based on the current amount of mandatory convertible securities outstanding. Also, the newly issued Class A shares will be included in our calculation of earnings per share. Assuming no further stock repurchases and further assuming that the maximum number of shares (approximately 2.1 million) are issued, the impact of the share issuance will be a reduction of approximately 6% on a per share basis.

Cash provided by financing activities in the first nine months of 2003 was $103.0 million. The increase in cash primarily results from the $100 million issuance of ten-year, 5.5% non-callable and non-convertible senior notes and $3.6 million received from the exercise of non-qualified stock options that further generated cash tax savings of $1.1 million. Other significant financing activities which used cash included $0.6 million to repurchase shares of our Class A common stock and mandatory convertible securities under the Company's respective Stock Repurchase Programs.

Based upon our current level of operations and anticipated growth, we expect that our current cash balances plus cash flows from operating activities and our borrowing capacity will be sufficient to finance our working capital needs for the foreseeable future. We have no material commitments for capital expenditures.

Gabelli & Company, Inc., a subsidiary of Gabelli, is registered with the Securities and Exchange Commission as a broker-dealer and is a member of the National Association of Securities Dealers. As such, it is subject to the minimum net capital requirements promulgated by the Commission. Gabelli & Company's net capital has historically exceeded these minimum requirements. Gabelli & Company computes its net capital under the alternative method permitted by the Commission, which requires minimum net capital of $250,000. At September 30, 2004, Gabelli & Company had net capital, as defined, of approximately $19.1 million, exceeding the regulatory requirement by approximately $18.9 million. Regulatory net capital requirements increase when Gabelli & Company is involved in underwriting activities.

Market Risk

We are subject to potential losses from certain market risks as a result of absolute and relative price movements in financial instruments due to changes in interest rates, equity prices and other factors. Our exposure to market risk is directly related to our role as financial intermediary, advisor and general partner for assets under management in our mutual funds, institutional and separate accounts business, alternative investment products and our proprietary investment activities. On September 30, 2004, our primary market risk exposure was to changes in equity prices and interest rates.

With respect to our proprietary investment activities included in investments in securities of $249.8 million on September 30, 2004 were investments in Treasury Bills and Notes of $108.9 million, in mutual funds, largely invested in equity products, of $108.5 million, a selection of common and preferred stocks totaling $31.2 million and other investments of approximately $1.2 million. Investments in mutual funds generally lower market risk through the diversification of investments within their portfolio. In addition, we may alter our investment holdings from time to time in response to changes in market risks and other factors considered appropriate by management. Of the approximately $31.2 million invested in common and preferred stocks at September 30, 2004, $15.9 million is related to our investment in Westwood Holdings Group Inc. and $8.0 million is invested in risk arbitrage opportunities in connection with mergers, consolidations, acquisitions, tender offers or other similar transactions. Investments in partnerships and affiliates totaled $91.1 million on September 30, 2004, the majority of which consisted of alternative investment products which invest in risk arbitrage opportunities. These transactions generally involve announced deals with agreed upon terms and conditions, including pricing, which typically involve less market risk than common stocks held in a trading portfolio. The principal risk associated with risk arbitrage transactions is the inability of the companies involved to complete the transaction.

Gabelli's exposure to interest rate risk results, principally, from its investment of excess cash in U.S. Government obligations and money market mutual funds. These investments are primarily short term in nature and the carrying value of these investments generally approximates market value.

Our revenues are largely driven by the market value of our assets under management and are therefore exposed to fluctuations in market prices. Investment advisory fees for mutual funds are based on average daily asset values. Management fees earned on institutional and high-net-worth separate accounts, for any given quarter, are generally determined based on asset values on the last day of the preceding quarter. Any significant increases or decreases in market value of institutional and high-net-worth separate accounts assets managed which occur during the previous quarter will generally result in a relative increase or decrease in revenues for the following quarter.

Recent Accounting Developments

In January 2003 the FASB issued Interpretation No. 46, “Consolidation of Variable Interest Entities” which was subsequently revised in December 2003 by FASB Interpretation No. 46(R) (“FIN No. 46”). FIN No. 46 provides new criteria for determining whether or not consolidation accounting is required for off-balance sheet activities conducted through certain types of entities. This interpretation focuses on financial interests in entities (i.e., variable interests) that indicate control despite the absence of clear control through voting interest. It concludes that a company’s exposure (variable interest) to the economic risks and rewards from the entity’s assets and activities are the best evidence of control. The interpretation requires that these variable interest entities (VIEs) be subject to consolidation if the company holding the variable interest is subject to a majority of the expected losses or will receive a majority of the expected residual returns of the VIE (the “primary beneficiary”). As the primary beneficiary it would be required to include the variable interest entity’s assets, liabilities and results of operations in its own financial statements.

During February 2004, the FASB issued further guidance through FASB Staff Positions related to FIN No. 46. We have implemented FIN No. 46 for the quarter ended September 30, 2004 based on the provisions of the interpretation and the related staff positions and concluded that certain of the partnerships and offshore funds managed by Gabelli are VIEs. However, in most cases, it was concluded based on the provisions of the interpretation and related staff positions that Gabelli was not the primary beneficiary of these entities. As a result, the effect of the implementation of FIN No. 46 for the quarter ended September 30, 2004 did not have a material impact to our consolidated financial statements.

We serve as General Partner, co-General Partner or Investment Manager for a number of partnerships and offshore funds classified as VIEs. As General Partner or co-General Partner, we are contingently liable for all of the partnerships’ liabilities. Our exposure to the activities of VIEs which are not partnerships is limited to our investment in each respective VIE.

Item 4. Controls and Procedures

Management, including the Chief Executive Officer and the Chief Financial Officer have conducted an evaluation of the effectiveness of disclosure controls and procedures pursuant to Exchange Act Rule 13a-14. Based on the evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that the disclosure controls and procedures are effective in ensuring that all material information required to be filed in this quarterly report has been made known to them in a timely fashion. There have been no significant changes in internal controls, or in factors that could significantly affect internal controls, subsequent to the date the Chief Executive Officer and the Chief Financial Officer completed their evaluation.

Forward-Looking Information

Our disclosure and analysis in this report contain some forward-looking statements. Forward-looking statements give our current expectations or forecasts of future events. You can identify these statements because they do not relate strictly to historical or current facts. They use words such as “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” and other words and terms of similar meaning. They also appear in any discussion of future operating or financial performance. In particular, these include statements relating to future actions, future performance of our products, expenses, the outcome of any legal proceedings, and financial results. Although we believe that we are basing our expectations and beliefs on reasonable assumptions within the bounds of what we currently know about our business and operations, there can be no assurance that our actual results will not differ materially from what we expect or believe. Some of the factors that could cause our actual results to differ from our expectations or beliefs include, without limitation: the adverse effect from a decline in the securities markets; a decline in the performance of our products; a general downturn in the economy; changes in government policy or regulation; changes in our ability to attract or retain key employees; and unforeseen costs and other effects related to legal proceedings or investigations of governmental and self-regulatory organizations. We also direct your attention to any more specific discussions of risk contained in our Form 10-K and other public filings. We are providing these statements as permitted by the Private Litigation Reform Act of 1995. We do not undertake to update publicly any forward-looking statements if we subsequently learn that we are unlikely to achieve our expectations or if we receive any additional information relating to the subject matters of our forward-looking statements.

Part II: Other Information

Item 2. Changes in Securities, Use of Proceeds and Issuer Purchases of Equity Securities

The following table provides information with respect to the shares of common stock and mandatory convertible securities we repurchased during the nine months ended September 30, 2004:

Period	(a) Total Number of Shares Repurchased	(b) Average Price Paid Per Share, net of Commissions	(c) Total Number of Shares Repurchased as Part of Publicly Announced Plans or Programs	(d) Maximum Number of Shares (or Approximate Dollar Value) That May Yet Be Purchased Under the Plans or Programs
GBL				
1/01/04 – 1/31/04	-	$ -	-	$ 12,146,465
2/01/04 – 2/29/04	3,127	$ 42.60	3,127	$ 12,013,212
3/01/04 – 3/31/04	26,800	$ 39.22	26,800	$ 10,960,818
4/01/04 – 4/30/04	157,400	$ 39.20	157,400	$ 4,785,998
5/01/04 – 5/31/04	97,500	$ 39.29	97,500	$ 12,953,206
6/01/04 – 6/30/04	-	$ -	-	$ 12,953,206
7/01/04 – 7/31/04	70,500	$ 38.70	70,500	$ 10,224,511
8/01/04 – 8/31/04	62,500	$ 38.63	62,500	$ 32,810,008
9/01/04 – 9/30/04	154,900	$ 41.99	154,900	$ 26,305,772
Totals	572,727		572,727	
GBL.I				
1/01/04 – 1/31/04	-	$ -	-	461,200
2/01/04 – 2/29/04	-	$ -	-	461,200
3/01/04 – 3/31/04	8,200	$ 25.04	8,200	453,000
4/01/04 – 4/30/04	34,600	$ 24.95	34,600	418,400
5/01/04 – 5/31/04	3,600	$ 24.74	3,600	614,800
6/01/04 – 6/30/04	-	$ -	-	614,800
7/01/04 – 7/31/04	20,200	$ 24.15	20,200	594,600
8/01/04 – 8/31/04	2,300	$ 23.67	2,300	$ 25,000,000
9/01/04 – 9/30/04	-	$ -	-	$ 25,000,000
Totals	68,900		68,900	

In May 2004 we announced an increase in the dollar value of GBL shares available to repurchase under our stock repurchase program of $12.0 million and an increase in the number of shares of GBL.I available to repurchase under our stock repurchase program of 200,000 shares. In August 2004 we announced an increase in the dollar value of GBL shares available to repurchase under our stock repurchase program of $25.0 million and an increase in the dollar value of GBL.I shares available to repurchase under our stock repurchase program bringing the total authorization up to $25.0 million. Our stock repurchase programs are not subject to expiration dates.

Item 6. (a) Exhibits

31.1 Certification by Chief Executive Officer Pursuant to Rule 13a-14 (a) and 15d-14 (a) as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

31.2 Certification by Chief Financial Officer Pursuant to Rule 13a-14 (a) and 15d-14 (a) as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

32.1 Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

32.2 Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

(b) Reports on Form 8-K.

The Company filed the following Current Reports on Form 8-K during the three months ended September 30, 2004.

1. Current Report on Form 8-K dated July 15, 2004 containing the press release disclosing the Company's ongoing discussions with Cascade Investments LLC to further extend the exercise date of the put option on the 5% Convertible Note purchased by Cascade in August 2001.
2. Current Report on Form 8-K dated July 26, 2004 containing the press release disclosing the Company's operating results for the second quarter ended June 30, 2004.
3. Current Report on Form 8-K dated September 14, 2004 containing the press release disclosing that a sub-advisory client notified the Company of the client's intention to transfer management of the largest of its three portfolios managed by the Company to another asset manager in mid-November 2004.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

GABELLI ASSET MANAGEMENT INC.
(Registrant)

November 9, 2004
Date

/s/ Michael R. Anastasio
Michael R. Anastasio
Chief Financial Officer