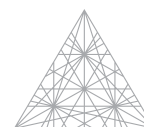


# GCV

## THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.

4<sup>th</sup> Quarter - December 31, 2017



GABELLI  
FUNDS

NYSE: **GCV**  
CUSIP: 36240B109

### INVESTMENT OBJECTIVE

The Gabelli Convertible and Income Securities Fund is a diversified, closed-end management investment company whose primary investment objective is to seek a high level of total return through a combination of current income and capital appreciation.

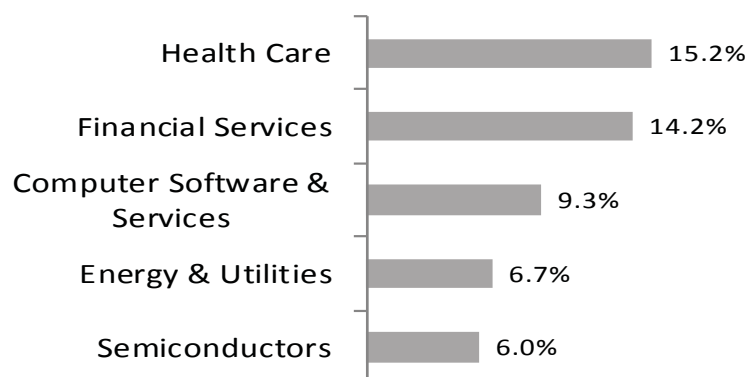
### PORTFOLIO HIGHLIGHTS - 12/31/17

Total Net Assets:	\$103 Million
Number of Holdings:	117
Net Asset Value ("NAV") per share:	\$5.57
NYSE Market Price:	\$5.90
Premium (Discount):	5.9%
Expense Ratio <sup>(a)</sup> <sup>(b)</sup> :	2.0%
Turnover:	27.0%
Inception Date:	7/3/1989
Cash & Equivalents:	9.5%

(a) Ratio of operating expenses to average net assets attributable to common shares.

(b) Annualized.

### TOP SECTORS OF PORTFOLIO



Information regarding the Fund's distribution policy and the most recent quarterly report, which contains a more extensive list of holdings, is available by calling 1-800-GABELLI (1-800-422-3554). The distribution rate is not representative of dividend yield or the total return of the Fund and has historically included a return of capital.

To participate in the Dividend Reinvestment Cash Purchase Plan please contact Computershare at (800) 336-6983.

### CAPITAL STRUCTURE

14 Million Common Shares	\$79 Million (NAV)
6.00% Series B Cumulative Preferred Shares	\$24 Million

*Convertible Investment Risk.* Similarly to straight debt, a convertible bond contains the risk of the issuer not being able to repay the principal at maturity. Credit risk or default risk refers to the risk which may arise due to default on the part of the issuer of the fixed income security (i.e. will be unable to make timely principal and interest payments on the security). Normally, the value of a fixed income security will fluctuate depending upon the actual changes in the perceived level of credit risk as well as the actual event of default. Interest rate risk also refers to the risk that bond prices generally fall as interest rates rise and vice versa. Preferred securities may include provisions that permit the issuer to defer or omit distributions for a certain period of time and reporting the distribution for tax purposes may be required even though the income may not have been received. Further preferred securities may lose substantial value, due to the omission or deferment of dividend payments.

*Leverage Risk.* The use of leverage, which can be described as exposure to changes in price at a ratio greater than the amount of equity invested, through the issuance of preferred shares, magnifies both the favorable and unfavorable effects of price movements in the investments made by the Fund. The Fund's use of leverage in its investment operations subjects it to substantial risk of loss.

### TOP TEN HOLDINGS

- Alibaba Mandatory Exchangeable Trust, Cv., 5.75%, 06/01/2019
- PNC Financial Services Group Inc.
- Sunpower Corp., Cv., 4.00%, 01/15/23
- Aerojet Rocketdyne Holdings Inc., 2.25%, 12/15/23
- American Tower Corp., 5.50%, 02/15/2018
- Interdigital Inc., 1.50%, 03/01/2020
- Intel Corp., 3.25%, 08/01/39
- Wells Fargo & Co.
- DISH Network Corp., 3.38%, 08/15/2026
- Atlas Air Worldwide Holdings Inc., 2.25%, 06/01/22

The top ten holdings and top sectors listed are not necessarily representative of the entire portfolio and are subject to change.

# THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.

## PORTFOLIO MANAGEMENT

4<sup>th</sup> Quarter - December 31, 2017



**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.



**Thomas Dinsmore, CFA**, joined Gabelli Funds LLC. in 2015. He currently serves as portfolio manager of Gabelli Funds, LLC and manages several funds within the Gabelli/GAMCO Funds Complex. From 1996 to 2015 Mr. Dinsmore was Chairman and CEO of Dinsmore Capital Management; CEO and Portfolio Manager of Bancroft Fund Ltd; and CEO, Portfolio Manager and co-founder of Ellsworth Fund Ltd.. He has a B.S. in Economics from the Wharton School of Business, and an M.A. in Economics from Fairleigh Dickinson University.



**James Dinsmore, CFA**, joined Gabelli Funds LLC. in 2015. He currently serves as portfolio manager of Gabelli Funds, LLC and manages several funds within the Gabelli/GAMCO Funds Complex. Mr. Dinsmore received a BA in Economics from Cornell University and an MBA from Rutgers University.



**Jane O'Keefe** joined Gabelli in 2015. She currently serves as a portfolio manager of Gabelli Funds, LLC and manages several funds within the Gabelli/GAMCO Funds Complex. From 1996 to 2015 Ms. O'Keefe was President and Director of Dinsmore Capital Management where she was also a Portfolio Manager of Bancroft Fund Ltd. and Ellsworth Fund Ltd. In 1980 Ms. O'Keefe began as an assistant to the portfolio manager of IDS Progressive Fund. From 1983 through March 1986, she had research and portfolio management responsibilities at Soros Fund Management Company. In 1986, she was a portfolio manager and research analyst at Simms Capital Management until she joined Fiduciary Trust International in 1988 where she became a Vice President and Portfolio Manager for individuals, endowments and foundations. She has a B.A. from the University of New Hampshire and attended the Lubin Graduate School of Business at Pace University.

## PERFORMANCE

Average Annual Returns through December 31, 2017 (a)

Gabelli Convertible and Income Securities Fund	QTR	1 Year	5 Year	10 Year	15 Year	Since Inception (07/03/89)
NAV Total Return (b)	1.99%	14.59%	8.33%	5.21%	6.31%	6.83%
Investment Total Return (c)	4.46	37.53	11.02	6.31	6.51	6.39 (d)
S&P 500 Index	6.64	21.83	15.79	8.50	9.92	10.10 (e)
Bloomberg Government/Credit Bond Index	0.49	3.91	2.12	4.04	4.16	N/A (f)
Lipper Convertible Securities Fund Average	2.02	12.12	8.73	5.93	7.78	8.16 (e)

[One Corporate Center, Rye, NY 10580-1422](http://www.gabelli.com) | 1-800-GABELLI | [www.gabelli.com](http://www.gabelli.com)

*Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing.*

*The Fund's NAV per share will fluctuate with changes in the market value of the Fund's portfolio securities. Stocks are subject to market, economic, and business risks that cause their prices to fluctuate. Investors acquire shares of the Fund on a securities exchange at market value, which fluctuates according to the dynamics of supply and demand. When Fund shares are sold, they may be worth more or less than their original cost. Consequently, you can lose money by investing in the Fund.*

(a) Returns represent past performance and do not guarantee future results. Investment returns and the principal value of an investment will fluctuate. 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. The Standard & Poor's 500 Index is an unmanaged indicator of stock market performance. The Bloomberg Government/Credit Bond Index is a market value weighted index that tracks the performance of fixed rate, publicly placed, dollar denominated obligations. The Lipper Convertible Securities Fund Average reflects the average performance of open-end mutual funds classified in this particular category. Dividends and interest income are considered reinvested. You cannot invest directly in an index.

(b) Total returns and average annual returns reflect changes in the NAV per share, reinvestment of distributions at NAV on the ex-dividend date, and adjustments for rights offerings and are net of expenses. Since inception return is based on an initial NAV of \$10.00.

(c) Total returns and average annual returns reflect changes in closing market values on the NYSE, reinvestment of distributions, and adjustments for rights offerings. Since inception return is based on an initial offering price of \$11.25 on March 31, 1995.

(d) The Fund converted to closed-end status on March 31, 1995 and had no operating history on the NYSE prior to that date.

(e) From June 30, 1989, the date closest to the Fund's inception for which data is available.

(f) The Bloomberg Government/Credit Bond Index inception date is January 29, 1999.