

# **The Gabelli Equity Income Fund**

## **Semiannual Report — March 31, 2024**

### **To Our Shareholders,**

For the six months ended March 31, 2024, the net asset value (NAV) total return per Class AAA Share of The Gabelli Equity Income Fund was 14.9% compared with a total return of 23.5% for the Standard & Poor's (S&P) 500 Index. Other classes of shares are available. See page 3 for performance information for all classes.

Enclosed are the financial statements, including the schedule of investments, as of March 31, 2024.

### **Investment Objective and Strategy (Unaudited)**

The Fund seeks to provide a high level of total return on its assets with an emphasis on income. The Fund will seek to achieve its investment objective through a combination of capital appreciation and current income by investing, under normal market conditions, at least 80% of its net assets in income producing equity securities. Income producing equity securities include, for example, common stock, preferred stock, and convertible securities. In making stock selections, Gabelli Funds, LLC, the Adviser, looks for securities that have a better yield than the average of the S&P 500 Index, as well as capital gains potential.

### **Performance Discussion (Unaudited)**

For the six months ended March 2024, the U.S. stock market performed very well. The S&P 500 Index was up over 20% on a total return basis, a very impressive return. Despite concerns from over a year ago that the economy might enter a recession by now, it continues to thrive. Unemployment remains low, productivity growth continues, and the consumer is generally healthy. Supply chains are functioning well, but geopolitical risks are on the rise. Another concerning macro dynamic is that government budget deficits are huge and, at some point, long term interest rates will need to rise due to these large deficits. Over the last 6 months, however, the yield on the 10 year U.S. Treasury note has moved down from 4.6% to 4.2%. The Federal Funds target rate, meanwhile, has stayed steady at 5.5% and the Federal Reserve keeps pushing out the timeframe as to when they will start to cut rates.

As permitted by regulations adopted by the Securities and Exchange Commission, paper copies of the Fund's annual and semiannual shareholder reports will no longer be sent by mail, unless you specifically request paper copies of the reports. Instead, the reports will be made available on the Fund's website ([www.gabelli.com](http://www.gabelli.com)), and you will be notified by mail each time a report is posted and provided with a website link to access the report. If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. To elect to receive all future reports on paper free of charge, please contact your financial intermediary, or, if you invest directly with the Fund, you may call 800-422-3554 or send an email request to [info@gabelli.com](mailto:info@gabelli.com).

Of the eleven sectors that make up the S&P 500 Index, all were up over the past six months. The best performing sector was Technology, up about 30%, followed by Finance and Communication Services. The weakest sector over the last 6 months was Energy, which was up about 7%. One of the best performing stocks in (y)our portfolio during the past six months was The Bank of New York Mellon Corp. (3.3% of net assets as of March 31, 2024), a large global custody bank based in New York City. Two other top contributors to performance were Mueller Industries Inc. (2.1%), an industrial company, and Microsoft Corp. (2.4%), the global technology company.

There were, of course, also a number of stock holdings in (y)our portfolio that declined over the past six months. Two global spirits companies, Brown-Forman Corp., Cl. A. (1.9%), based in the U.S., and Remy Cointreau SA (0.6%), based in France, were big detractors to performance, as concerns about international growth intensified. Another weak performer in the quarter was ITO EN Ltd. (0.6%), a Japanese beverage company that sells non-alcoholic beverages.

We appreciate your confidence and trust.

The views expressed reflect the opinions of the Fund's portfolio manager and Gabelli Funds, LLC, the Adviser, as of the date of this report and are subject to change without notice based on changes in market, economic, or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

## Comparative Results

### Average Annual Returns through March 31, 2024 (a)(b) (Unaudited)

Total returns and average annual returns reflect changes in share price, reinvestment of distributions, and are net of expenses. Performance returns for periods of less than one year are not annualized.

	Six Months	1 Year	5 Year	10 Year	15 Year	Since Inception (1/2/92)
<b>Class AAA (GABEX)</b> .....	14.94%	11.58%	9.21%	7.08%	11.45%	9.53%
S&P 500 Index (c) .....	23.48	29.88	15.05	12.96	15.63	10.33
Lipper Equity Income Fund Average (c) .....	18.01	18.49	10.64	9.24	12.66	8.76
<b>Class A (GCAEX) (d)</b> .....	14.79	11.47	9.20	7.07	11.44	9.52
With sales charge (e) .....	8.19	5.06	7.92	6.44	11.01	9.32
<b>Class C (GEICX) (d)</b> .....	14.42	10.94	8.40	6.28	10.63	9.02
With contingent deferred sales charge (f) .....	13.42	9.94	8.40	6.28	10.63	9.02
<b>Class C1 (GCCEX) (d)</b> .....	14.84	10.71	8.36	6.26	10.61	9.01
With contingent deferred sales charge (f) .....	13.84	9.71	8.36	6.26	10.61	9.01
<b>Class I (GCIEX) (d)</b> .....	14.98	11.81	9.46	7.34	11.72	9.66

(a) The Fund's fiscal year ends September 30.

(b) The Fund imposes a 2% redemption fee on shares sold or exchanged within seven days of purchase.

(c) The S&P 500 Index is a market capitalization weighted index of 500 large capitalization stocks commonly used to represent the U.S. equity market. Inception performance is as of December 31, 1991. The Lipper Equity Income Fund Average includes the 30 largest equity funds in this category tracked by Lipper, Inc. Dividends are considered reinvested. You cannot invest directly in an index.

(d) The Class AAA Share NAVs are used to calculate performance for the periods prior to the issuance of Class A Shares and Class C1 Shares on December 31, 2002, and Class I Shares on January 11, 2008. The actual performance of the Class A Shares and Class C1 Shares would have been lower due to the additional fees and expenses associated with these classes of shares. The actual performance of the Class I Shares would have been higher due to lower expenses related to this class of shares.

(e) Performance results include the effect of the maximum 5.75% sales charge at the beginning of the period.

(f) Assuming payment of the 1% maximum contingent deferred sales charge imposed on redemptions made within one year of purchase.

In the current prospectuses dated January 26, 2024, the expense ratios for Class AAA, A, C, and I Shares are 1.43%, 1.43%, 2.18%, and 1.18%, respectively. See page 12 for the expense ratios for the six months ended March 31, 2024. Class AAA and Class I Shares do not have a sales charge. The maximum sales charge for Class A Shares is 5.75%.

Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectuses contain information about these and other matters and should be read carefully before investing. To obtain a prospectus, please visit our website at [www.gabelli.com](http://www.gabelli.com).

Returns represent past performance and do not guarantee future results. Investment returns and the principal value of an investment will fluctuate. When shares are redeemed, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Visit [www.gabelli.com](http://www.gabelli.com) for performance information as of the most recent month end.

# The Gabelli Equity Income Fund

## Disclosure of Fund Expenses (Unaudited)

For the Six Month Period from October 1, 2023 through March 31, 2024

Expense Table

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

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

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

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

**Hypothetical 5% Return:** This section provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio. It assumes a hypothetical annualized return of 5% before expenses during the period shown. In this case – because the hypothetical return used is **not** the Fund's actual return – the results do not apply to your investment and you cannot use the hypothetical account value and expense to estimate the actual ending account balance or expenses you

paid for the period. This example is useful in making comparisons of the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs such as sales charges (loads), redemption fees, or exchange fees, if any, which are described in the Prospectus. If these costs were applied to your account, your costs would be higher. Therefore, the 5% hypothetical return is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds.

	Beginning Account Value 10/01/23	Ending Account Value 03/31/24	Annualized Expense Ratio	Expenses Paid During Period *
<b><i>The Gabelli Equity Income Fund</i></b>				
<b>Actual Fund Return</b>				
Class AAA	\$1,000.00	\$1,149.40	1.43%	\$ 7.68
Class A	\$1,000.00	\$1,147.90	1.43%	\$ 7.68
Class C	\$1,000.00	\$1,144.20	2.18%	\$ 11.69
Class C1	\$1,000.00	\$1,148.40	2.18%	\$ 11.71
Class I	\$1,000.00	\$1,149.80	1.18%	\$ 6.34
<b>Hypothetical 5% Return</b>				
Class AAA	\$1,000.00	\$1,017.85	1.43%	\$ 7.21
Class A	\$1,000.00	\$1,017.85	1.43%	\$ 7.21
Class C	\$1,000.00	\$1,014.10	2.18%	\$ 10.98
Class C1	\$1,000.00	\$1,014.10	2.18%	\$ 10.98
Class I	\$1,000.00	\$1,019.10	1.18%	\$ 5.96

\* Expenses are equal to the Fund's annualized expense ratio for the last six months multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half year (183 days), then divided by 366.

## Summary of Portfolio Holdings (Unaudited)

The following table presents portfolio holdings as a percent of net assets as of March 31, 2024:

### The Gabelli Equity Income Fund

Food and Beverage.....	16.5%	Energy and Utilities: Services .....	1.0%
Financial Services.....	14.5%	Automotive .....	0.7%
Equipment and Supplies.....	6.7%	Energy and Utilities: Integrated.....	0.6%
Diversified Industrial.....	6.5%	Aerospace .....	0.6%
Automotive: Parts and Accessories.....	5.0%	Agriculture .....	0.6%
Retail.....	4.9%	Real Estate Investment Trusts.....	0.4%
Health Care .....	4.5%	Energy and Utilities: Electric.....	0.4%
Energy and Utilities: Oil .....	4.1%	Environmental Services.....	0.3%
Business Services.....	3.9%	Communications Equipment .....	0.3%
Machinery .....	3.9%	Broadcasting .....	0.3%
Telecommunications.....	3.8%	Energy and Utilities: Water.....	0.2%
Computer Software and Services.....	2.8%	Wireless Communications .....	0.1%
Energy and Utilities: Natural Gas .....	2.5%	Hotels and Gaming.....	0.1%
Transportation.....	2.4%	Consumer Services .....	0.1%
Electronics.....	2.2%	Publishing .....	0.0%*
Building and Construction .....	2.1%	Cable and Satellite .....	0.0%*
Computer Hardware.....	1.8%	Other Assets and Liabilities (Net) .....	0.5%
Entertainment .....	1.7%		<u>100.0%</u>
Metals and Mining .....	1.7%		
Consumer Products .....	1.3%		
Specialty Chemicals.....	1.0%		

\* Amount represents less than 0.05%.

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

## Proxy Voting

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

# The Gabelli Equity Income Fund

## Schedule of Investments — March 31, 2024 (Unaudited)

Shares	Cost	Market Value
<b>COMMON STOCKS — 99.5%</b>		
<b>Aerospace — 0.6%</b>		
400 L3Harris Technologies Inc. . . . .	\$ 71,673	\$ 85,240
2,000 Lockheed Martin Corp. . . . .	47,350	909,740
7,400 Rockwell Automation Inc. . . . .	222,313	2,155,842
	<u>341,336</u>	<u>3,150,822</u>
<b>Agriculture — 0.6%</b>		
40,000 Archer-Daniels-Midland Co. . . . .	1,017,179	2,512,400
10,000 The Mosaic Co. . . . .	155,338	324,600
	<u>1,172,517</u>	<u>2,837,000</u>
<b>Automotive — 0.7%</b>		
2,500 Daimler Truck Holding AG . . . . .	89,402	126,657
20,000 Iveco Group NV† . . . . .	175,902	297,763
14,500 PACCAR Inc. . . . .	370,272	1,796,405
44,000 Traton SE . . . . .	796,414	1,582,630
	<u>1,431,990</u>	<u>3,803,455</u>
<b>Automotive: Parts and Accessories — 5.0%</b>		
80,000 Dana Inc. . . . .	1,251,012	1,016,000
161,200 Genuine Parts Co. . . . .	7,186,350	24,974,716
	<u>8,437,362</u>	<u>25,990,716</u>
<b>Broadcasting — 0.3%</b>		
37,300 Sinclair Inc. . . . .	630,797	502,431
50,000 TEGNA Inc. . . . .	803,491	747,000
	<u>1,434,288</u>	<u>1,249,431</u>
<b>Building and Construction — 2.1%</b>		
23,200 Carrier Global Corp. . . . .	239,563	1,348,616
33,000 Fortune Brands Innovations Inc. . . . .	280,788	2,794,110
21,500 Herc Holdings Inc. . . . .	720,114	3,618,450
40,000 Johnson Controls International plc . . . . .	783,914	2,612,800
8,000 Knife River Corp.† . . . . .	289,430	648,640
	<u>2,313,809</u>	<u>11,022,616</u>
<b>Business Services — 3.9%</b>		
8,000 Automatic Data Processing Inc. . . . .	395,200	1,997,920
19,500 Mastercard Inc., Cl. A . . . . .	304,103	9,390,615
2,400 MSC Industrial Direct Co. Inc., Cl. A . . . . .	165,490	232,896
29,500 Pentair plc . . . . .	557,298	2,520,480
14,500 S&P Global Inc. . . . .	669,590	6,169,025
	<u>2,091,681</u>	<u>20,310,936</u>
<b>Cable and Satellite — 0.0%</b>		
2,000 EchoStar Corp., Cl. A† . . . . .	29,090	28,500
<b>Communications Equipment — 0.3%</b>		
42,000 Corning Inc. . . . .	481,575	1,384,320

Shares	Cost	Market Value
<b>Computer Hardware — 1.8%</b>		
26,000 Apple Inc. . . . .	\$ 476,062	\$ 4,458,480
25,000 International Business Machines Corp. . . . .	2,007,401	4,774,000
	<u>2,483,463</u>	<u>9,232,480</u>
<b>Computer Software and Services — 2.8%</b>		
90,000 Hewlett Packard Enterprise Co. . . . .	509,279	1,595,700
30,000 Microsoft Corp. . . . .	838,200	12,621,600
	<u>1,347,479</u>	<u>14,217,300</u>
<b>Consumer Products — 1.3%</b>		
5,500 Edgewell Personal Care Co. . . . .	166,525	212,520
49,500 Energizer Holdings Inc. . . . .	1,254,450	1,457,280
30,000 Essity AB, Cl. A . . . . .	529,907	714,686
1,500 National Presto Industries Inc. . . . .	68,963	125,700
31,700 Reckitt Benckiser Group plc . . . . .	938,639	1,805,258
4,000 The Scotts Miracle-Gro Co. . . . .	194,044	298,360
40,000 Unilever plc, ADR . . . . .	797,487	2,007,600
	<u>3,950,015</u>	<u>6,621,404</u>
<b>Consumer Services — 0.1%</b>		
1,600 Allegion plc . . . . .	19,252	215,536
10,500 Rollins Inc. . . . .	10,439	485,835
	<u>29,691</u>	<u>701,371</u>
<b>Diversified Industrial — 6.5%</b>		
1,400 AMETEK Inc. . . . .	201,828	256,060
68,000 Crane Co. . . . .	1,319,498	9,188,840
2,500 Eaton Corp. plc . . . . .	92,398	781,700
1,000 Honeywell International Inc. . . . .	21,440	205,250
8,600 Ingersoll Rand Inc. . . . .	45,820	816,570
46,500 ITT Inc. . . . .	931,915	6,325,395
33,000 Jardine Matheson Holdings Ltd. . . . .	1,623,046	1,230,900
2,500 Modine Manufacturing Co.† . . . . .	52,004	237,975
17,000 Myers Industries Inc. . . . .	338,975	393,890
21,000 nVent Electric plc . . . . .	221,694	1,583,400
20,000 Svenska Cellulosa AB SCA, Cl. A . . . . .	83,897	306,801
101,000 Textron Inc. . . . .	921,180	9,688,930
146,000 Toray Industries Inc. . . . .	973,915	699,813
4,200 Trane Technologies plc . . . . .	87,508	1,260,840
25,000 Trinity Industries Inc. . . . .	357,494	696,250
	<u>7,272,612</u>	<u>33,672,614</u>
<b>Electronics — 2.2%</b>		
6,500 Sony Group Corp. . . . .	138,865	555,192
33,000 Sony Group Corp., ADR . . . . .	963,587	2,829,420
44,500 TE Connectivity Ltd. . . . .	1,455,925	6,463,180
10,000 Texas Instruments Inc. . . . .	147,000	1,742,100
	<u>2,705,377</u>	<u>11,589,892</u>

See accompanying notes to financial statements.

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See accompanying notes to financial statements.



# The Gabelli Equity Income Fund

## Schedule of Investments (Continued) — March 31, 2024 (Unaudited)

Shares	Cost	Market Value	Shares	Cost	Market Value
<b>COMMON STOCKS (Continued)</b>			64,000	Yakult Honsha Co. Ltd. ....	\$ 799,840 \$ 1,307,227
<b>Financial Services (Continued)</b>					<u>33,649,882</u> <u>85,235,228</u>
20,500	The PNC Financial Services Group Inc. ....	\$ 1,561,120 \$ 3,312,800	<b>Health Care — 4.5%</b>		
2,100	UBS Group AG .....	48,790 64,594	4,400	Abbott Laboratories.....	134,434 500,104
53,000	Valley National Bancorp .....	331,250 421,880	3,000	AbbVie Inc. ....	74,560 546,300
88,000	Webster Financial Corp.....	1,877,776 4,467,760	3,200	Alcon Inc. ....	106,703 266,528
98,000	Wells Fargo & Co. ....	2,729,808 5,680,080	75,000	Baxter International Inc.....	1,657,103 3,205,500
	<u>29,852,969</u>	<u>75,010,231</u>	4,400	Bio-Rad Laboratories Inc., Cl. A†.....	432,651 1,521,828
<b>Food and Beverage — 16.5%</b>			87,500	Bristol-Myers Squibb Co.....	2,105,675 4,745,125
1,000	Anheuser-Busch InBev SA/NV.....	15,876 60,912	69,000	Demant A/S†.....	667,858 3,423,129
186,500	Brown-Forman Corp., Cl. A ..	3,253,333 9,875,175	6,400	GSK plc, ADR .....	270,041 274,368
34,000	Campbell Soup Co. ....	1,061,533 1,511,300	8,000	Haleon plc, ADR .....	57,324 67,920
19,000	Coca-Cola Europacific Partners plc.....	427,500 1,329,050	32,000	Henry Schein Inc.†.....	483,167 2,416,640
10,000	Coca-Cola Femsa SAB de CV, ADR.....	340,563 972,000	16,000	Merck & Co. Inc. ....	283,402 2,111,200
4,700	Constellation Brands Inc., Cl. A .....	151,101 1,277,272	12,000	Novartis AG, ADR .....	554,459 1,160,760
30,000	Danone SA .....	1,076,555 1,938,370	25,000	Perrigo Co. plc .....	807,605 804,750
33,000	Davide Campari-Milano NV ..	110,940 331,597	21,500	Pfizer Inc. ....	387,082 596,625
49,500	Diageo plc, ADR .....	3,063,927 7,362,630	42,500	Roche Holding AG, ADR ....	781,653 1,356,600
80,000	Fomento Economico Mexicano SAB de CV, ADR .....	1,948,672 10,421,600	2,300	Zimmer Biomet Holdings Inc. ....	193,245 303,554
1,000	General Mills Inc. ....	26,640 69,970	10,000	Zimvie Inc.†.....	86,104 164,900
1,485,000	Grupo Bimbo SAB de CV, Cl. A .....	1,195,228 7,009,411			<u>9,083,066</u> <u>23,465,831</u>
92,500	Heineken NV .....	4,399,938 8,915,562	<b>Hotels and Gaming — 0.1%</b>		
132,000	ITO EN Ltd. ....	2,344,495 3,224,574	12,000	MGM Resorts International†	144,776 566,520
10,500	Kellanova .....	505,488 601,545	1,500	Wynn Resorts Ltd. ....	71,983 153,345
4,000	McCormick & Co. Inc. ....	137,120 309,680			<u>216,759</u> <u>719,865</u>
31,200	McCormick & Co. Inc., Non-Voting .....	675,130 2,396,472	<b>Machinery — 3.9%</b>		
25,100	Mondelēz International Inc., Cl. A .....	452,153 1,757,000	6,000	Caterpillar Inc.....	35,181 2,198,580
31,300	Nestlé SA .....	643,107 3,323,141	165,000	CNH Industrial NV .....	2,318,625 2,138,400
159,600	Nissin Foods Holdings Co. Ltd. ....	1,629,453 4,396,433	35,200	Deere & Co. ....	1,057,028 14,458,048
27,500	PepsiCo Inc.....	1,782,886 4,812,775	1,700	Otis Worldwide Corp. ....	98,145 168,759
23,800	Pernod Ricard SA.....	2,337,623 3,850,211	7,200	Xylem Inc.....	242,260 930,528
31,200	Remy Cointreau SA .....	1,660,939 3,145,202			<u>3,751,239</u> <u>19,894,315</u>
30,000	Sapporo Holdings Ltd.....	664,276 1,194,015	<b>Metals and Mining — 1.7%</b>		
4,200	The Boston Beer Co. Inc., Cl. A† .....	1,365,027 1,278,564	78,000	Freeport-McMoRan Inc.....	988,238 3,667,560
9,000	The Coca-Cola Co.....	187,560 550,620	138,000	Newmont Corp.....	3,315,522 4,945,920
1,000	The Hershey Co.....	36,300 194,500			<u>4,303,760</u> <u>8,613,480</u>
45,000	The Kraft Heinz Co.....	1,263,863 1,660,500	<b>Publishing — 0.0%</b>		
8,400	WK Kellogg Co. ....	92,816 157,920	3,000	Value Line Inc. ....	41,976 121,500
			<b>Real Estate Investment Trusts — 0.4%</b>		
			62,000	Weyerhaeuser Co. ....	944,665 2,226,420
			<b>Retail — 4.9%</b>		
			13,000	Cie Financiere Richemont SA, Cl. A .....	436,510 1,982,037
			74,000	Copart Inc.†.....	163,288 4,286,080
			6,000	Costco Wholesale Corp.....	273,435 4,395,780
			80,000	CVS Health Corp.....	2,708,539 6,380,800

See accompanying notes to financial statements.



# The Gabelli Equity Income Fund

## Schedule of Investments (Continued) — March 31, 2024 (Unaudited)

Shares		Cost	Market Value	Shares		Cost	Market Value
<b>COMMON STOCKS (Continued)</b>							
<b>Retail (Continued)</b>							
44,600	Ingles Markets Inc., Cl. A....	\$ 693,507	\$ 3,419,928	94,000	TELUS Corp. ....	\$ 713,431	\$ 1,504,940
183,000	Seven & i Holdings Co. Ltd.	1,837,719	2,659,532	115,500	Verizon Communications Inc. ....	3,759,559	4,846,380
3,000	The Home Depot Inc. ....	83,470	1,150,800			<u>14,175,345</u>	<u>19,477,500</u>
50,000	Walgreens Boots Alliance Inc. ....	1,460,618	1,084,500	<b>Transportation — 2.4%</b>			
3,000	Walmart Inc. ....	43,340	180,510	94,000	GATX Corp. ....	3,025,561	12,598,820
		<u>7,700,426</u>	<u>25,539,967</u>	<b>Wireless Communications — 0.1%</b>			
<b>Specialty Chemicals — 1.0%</b>				70,000	BT Group plc, Cl. A .....	186,224	96,876
2,700	Albemarle Corp. ....	27,306	355,698	40,000	Telesat Corp.† .....	372,453	344,000
2,500	Ashland Inc. ....	58,813	243,425	20,000	Turkcell Iletisim Hizmetleri A/S, ADR .....	91,562	103,800
2,200	FMC Corp. ....	57,788	140,140	4,800	United States Cellular Corp.† .....	84,840	175,200
40,000	H.B. Fuller Co. ....	826,264	3,189,600			<u>735,079</u>	<u>719,876</u>
1,800	NewMarket Corp. ....	6,947	1,142,316	<b>TOTAL COMMON STOCKS ..</b>			
600	Quaker Chemical Corp. ....	6,478	123,150			<u>175,145,422</u>	<u>514,870,694</u>
		<u>983,596</u>	<u>5,194,329</u>	<b>TOTAL INVESTMENTS —</b>			
<b>Telecommunications — 3.8%</b>				<b>99.5% .....</b>	<b>\$ 175,145,422</b>		514,870,694
100,000	BCE Inc. ....	1,908,279	3,398,000	<b>Other Assets and Liabilities (Net) — 0.5%</b>			
190,000	Deutsche Telekom AG, ADR	2,540,249	4,599,900				2,607,813
65,000	Liberty Global Ltd., Cl. A† ...	1,281,813	1,099,800	<b>NET ASSETS — 100.0% .....</b>			
9,000	Liberty Global Ltd., Cl. C† ...	188,010	158,760				<u>\$ 517,478,507</u>
14,000	Orange SA, ADR .....	160,021	164,780				
70,000	Telefonica SA, ADR .....	293,673	308,700				
212,000	Telephone and Data Systems Inc. ....	3,330,310	3,396,240				

† Non-income producing security.  
ADR American Depositary Receipt

See accompanying notes to financial statements.

# The Gabelli Equity Income Fund

## Statement of Assets and Liabilities

March 31, 2024 (Unaudited)

<b>Assets:</b>	
Investments, at value (cost \$175,145,422) . . .	\$ 514,870,694
Cash . . . . .	171,615
Foreign currency, at value (cost \$18,625) . . . .	18,463
Receivable for investments sold . . . . .	2,016,869
Receivable for Fund shares sold . . . . .	380,785
Dividends receivable . . . . .	1,579,888
Prepaid expenses . . . . .	87,413
<b>Total Assets</b> . . . . .	<u>519,125,727</u>
<b>Liabilities:</b>	
Line of credit payable . . . . .	719,000
Payable for Fund shares redeemed . . . . .	234,422
Payable for investment advisory fees . . . . .	435,035
Payable for distribution fees . . . . .	94,207
Payable for accounting fees . . . . .	7,500
Other accrued expenses . . . . .	157,056
<b>Total Liabilities</b> . . . . .	<u>1,647,220</u>
<b>Net Assets</b>	
(applicable to 70,127,357 shares outstanding)	<u>\$ 517,478,507</u>
<b>Net Assets Consist of:</b>	
Paid-in capital . . . . .	\$ 188,277,515
Total distributable earnings . . . . .	329,200,992
<b>Net Assets</b> . . . . .	<u>\$ 517,478,507</u>
<b>Shares of Capital Stock, each at \$0.001 par value:</b>	
<b>Class AAA:</b>	
Net Asset Value, offering, and redemption price per share (\$239,590,198 ÷ 31,008,587 shares outstanding; 150,000,000 shares authorized) . . . . .	<u>\$ 7.73</u>
<b>Class A:</b>	
Net Asset Value and redemption price per share (\$134,529,555 ÷ 17,770,693 shares outstanding; 50,000,000 shares authorized) . . . . .	<u>\$ 7.57</u>
Maximum offering price per share (NAV ÷ 0.9425, based on maximum sales charge of 5.75% of the offering price). . . . .	<u>\$ 8.03</u>
<b>Class C:</b>	
Net Asset Value and offering price per share (\$2,555,795 ÷ 278,872 shares outstanding; 50,000,000 shares authorized) . . . . .	<u>\$ 9.16(a)</u>
<b>Class C1:</b>	
Net Asset Value and redemption price per share (\$16,843,953 ÷ 7,667,215 shares outstanding; 50,000,000 shares authorized) . . . . .	<u>\$ 2.20(a)</u>
<b>Class I:</b>	
Net Asset Value, offering, and redemption price per share (\$123,959,006 ÷ 13,401,990 shares outstanding; 50,000,000 shares authorized) . . . . .	<u>\$ 9.25</u>

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

## Statement of Operations

For the six months ended March 31, 2024 (Unaudited)

<b>Investment Income:</b>	
Dividends (net of foreign withholding taxes of \$91,335) . . . . .	\$ 5,170,024
Interest . . . . .	29,504
<b>Total Investment Income</b> . . . . .	<u>5,199,528</u>
<b>Expenses:</b>	
Investment advisory fees . . . . .	2,517,703
Distribution fees - Class AAA . . . . .	288,580
Distribution fees - Class A . . . . .	153,810
Distribution fees - Class C . . . . .	7,695
Distribution fees - Class C1 . . . . .	93,665
Shareholder services fees . . . . .	202,235
Shareholder communications expenses . . . . .	69,306
Legal and audit fees . . . . .	37,940
Custodian fees . . . . .	29,712
Accounting fees . . . . .	22,500
Interest expense . . . . .	19,720
Directors' fees . . . . .	19,530
Registration expenses . . . . .	14,505
Miscellaneous expenses . . . . .	39,753
<b>Total Expenses</b> . . . . .	<u>3,516,654</u>
Less:	
Expenses paid indirectly by broker (See Note 6) . . . . .	(4,423)
<b>Net Expenses</b> . . . . .	<u>3,512,231</u>
<b>Net Investment Income</b> . . . . .	<u>1,687,297</u>
<b>Net Realized and Unrealized Gain on Investments and Foreign Currency:</b>	
Net realized gain on investments . . . . .	34,263,944
Net realized gain on foreign currency transactions . . . . .	4,374
Net realized gain on investments and foreign currency transactions . . . . .	<u>34,268,318</u>
Net change in unrealized appreciation/depreciation: on investments . . . . .	34,194,874
on foreign currency translations . . . . .	3,331
Net change in unrealized appreciation/depreciation on investments and foreign currency translations . . . . .	<u>34,198,205</u>
<b>Net Realized and Unrealized Gain on Investments and Foreign Currency</b> . . . . .	<u>68,466,523</u>
<b>Net Increase in Net Assets Resulting from Operations</b> . . . . .	<u>\$ 70,153,820</u>

See accompanying notes to financial statements.

# The Gabelli Equity Income Fund

## Statement of Changes in Net Assets

	Six Months Ended March 31, 2024 (Unaudited)	Year Ended September 30, 2023
<b>Operations:</b>		
Net investment income . . . . .	\$ 1,687,297	\$ 4,950,182
Net realized gain on investments and foreign currency transactions . . . . .	34,268,318	43,102,333
Net change in unrealized appreciation/depreciation on investments and foreign currency translations . . . . .	34,198,205	11,162,508
<b>Net Increase in Net Assets Resulting from Operations</b> . . . . .	<u>70,153,820</u>	<u>59,215,023</u>
<b>Distributions to Shareholders:</b>		
Accumulated earnings		
Class AAA . . . . .	(18,507,026)*	(21,408,216)
Class A . . . . .	(10,133,976)*	(9,925,480)
Class C . . . . .	(114,751)*	(23,419)
Class C1 . . . . .	(4,705,965)*	(6,357,512)
Class I . . . . .	(8,671,448)*	(10,928,078)
	<u>(42,133,166)</u>	<u>(48,642,705)</u>
Return of capital		
Class AAA . . . . .	—	(29,821,849)
Class A . . . . .	—	(14,580,547)
Class C . . . . .	—	(33,597)
Class C1 . . . . .	—	(5,018,493)
Class I . . . . .	—	(16,447,112)
	<u>—</u>	<u>(65,901,598)</u>
<b>Total Distributions to Shareholders</b> . . . . .	<u>(42,133,166)</u>	<u>(114,544,303)</u>
<b>Capital Share Transactions:</b>		
Class AAA . . . . .	(1,287,956)	19,288,612
Class A . . . . .	12,912,687	32,868,398
Class C . . . . .	1,839,906	699,312
Class C1 . . . . .	(1,979,549)	(3,091,637)
Class I . . . . .	(19,493,563)	16,984,005
<b>Net Increase/(Decrease) in Net Assets from Capital Share Transactions</b> . . . . .	<u>(8,008,475)</u>	<u>66,748,690</u>
<b>Redemption Fees</b> . . . . .	<u>213</u>	<u>204</u>
<b>Net Increase in Net Assets</b> . . . . .	20,012,392	11,419,614
<b>Net Assets:</b>		
Beginning of year . . . . .	497,466,115	486,046,501
End of period . . . . .	<u>\$ 517,478,507</u>	<u>\$ 497,466,115</u>

\* Based on year to date book income. Amounts are subject to change and recharacterization at year end.

See accompanying notes to financial statements.

# The Gabelli Equity Income Fund

## Financial Highlights

Selected data for a share of capital stock outstanding throughout each period:

Year Ended September 30	Income (Loss) from Investment Operations				Distributions					Ratios to Average Net Assets/Supplemental Data					Portfolio Turnover Rate	
	Net Asset Value, Beginning of Year	Net Investment Income (Loss)(a)	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Net Investment Income	Net Realized Gain on Investments	Return of Capital	Total Distributions	Redemption Fees(a)(b)	Net Asset Value, End of Period	Total Return†	Net Assets, End of Period (in 000's)	Net Investment Income (Loss)	Operating Expenses(c)(d)		
Class AAA																
2024(e)	\$ 7.29	\$ 0.02	\$ 1.02	\$ 1.04	\$ (0.60)*	\$ —	\$ —	(0.60)\$	0.00	\$ 7.73	14.94%	\$ 239,590	0.64%(f)	1.43%(f)	0%(g)	
2023	8.09	0.08	0.91	0.99	0.08	(0.67)	(1.04)	(1.79)	0.00	7.29	11.92	227,248	0.89	1.43	5	
2022	10.85	0.06	(1.01)	(0.95)	(0.06)	(0.78)	(0.97)	(1.81)	0.00	8.09	(10.08)	230,926	0.56	1.42	1	
2021	10.04	0.07	3.00	3.07	0.08	(1.24)	(0.94)	(2.26)	0.00	10.85	31.32	297,369	0.64	1.42	1	
2020	13.61	0.10(h)	(0.02)	0.08	(0.11)	(2.39)	(1.15)	(3.65)	0.00	10.04	0.93	272,980	0.75(h)	1.45	0(g)	
2019	19.09	0.13	(0.38)	(0.25)	(0.15)	(3.72)	(1.36)	(5.23)	0.00	13.61	(1.09)	377,589	0.76	1.45	1	
Class A																
2024(e)	\$ 7.16	\$ 0.02	\$ 0.99	\$ 1.01	\$ (0.60)*	\$ —	\$ —	(0.60)\$	0.00	\$ 7.57	14.79%	\$ 134,530	0.64%(f)	1.43%(f)	0%(g)	
2023	7.96	0.07	0.91	0.98	(0.08)	(0.67)	(1.03)	(1.78)	0.00	7.16	11.94	114,513	0.90	1.43	5	
2022	10.69	0.06	(0.99)	(0.93)	(0.06)	(0.77)	(0.97)	(1.80)	0.00	7.96	(10.05)	95,186	0.57	1.42	1	
2021	9.92	0.08	2.95	3.03	(0.08)	(1.24)	(0.94)	(2.26)	0.00	10.69	31.31	98,631	0.65	1.42	1	
2020	13.49	0.10(h)	(0.02)	0.08	(0.11)	(2.39)	(1.15)	(3.65)	0.00	9.92	0.95	69,201	0.75(h)	1.45	0(g)	
2019	18.97	0.13	(0.38)	(0.25)	(0.15)	(3.72)	(1.36)	(5.23)	0.00	13.49	(1.08)	72,778	0.76	1.45	1	
Class C																
2024(e)	\$ 8.58	\$ (0.00)(b)	\$ 1.18	\$ 1.18	\$ (0.60)*	\$ —	\$ —	(0.60)\$	0.00	\$ 9.16	14.42%	\$ 2,556	(0.07)%(f)	2.18%(f)	0%(g)	
2023(i)	9.52	0.01	0.16	0.17	(0.07)	(0.55)	(0.49)	(1.11)	0.00	8.58	1.67	608	0.24(f)	2.29(f)	5	
Class C1																
2024(e)	\$ 2.49	\$ (0.00)(b)	\$ 0.31	\$ 0.31	\$ (0.60)*	\$ —	\$ —	(0.60)\$	0.00	\$ 2.20	14.84%	\$ 16,844	(0.13)%(f)	2.18%(f)	0%(g)	
2023	3.41	0.00(b)	0.42	0.42	(0.07)	(0.67)	(0.60)	(1.34)	0.00	2.49	11.34	21,071	0.13	2.18	5	
2022	5.24	(0.01)	(0.42)	(0.43)	0.04	(0.78)	(0.58)	(1.40)	0.00	3.41	(10.84)	31,620	(0.21)	2.17	1	
2021	5.81	(0.01)	1.70	1.69	(0.05)	(1.24)	(0.97)	(2.26)	0.00	5.24	30.29	51,140	(0.12)	2.17	1	
2020	9.48	0.00(b)(h)	(0.02)	(0.02)	(0.06)	(2.39)	(1.20)	(3.65)	0.00	5.81	0.27	53,605	0.00(h)(j)	2.20	0(g)	
2019	15.03	(0.00)(b)	(0.32)	(0.32)	(0.05)	(3.72)	(1.46)	(5.23)	0.00	9.48	(1.87)	100,467	(0.00)(j)	2.20	1	
Class I																
2024(e)	\$ 8.61	\$ 0.04	\$ 1.20	\$ 1.24	\$ (0.60)*	\$ —	\$ —	(0.60)\$	0.00	\$ 9.25	14.98%	\$ 123,959	0.88%(f)	1.18%(f)	0%(g)	
2023	9.36	0.12	1.04	1.16	(0.09)	(0.67)	(1.15)	(1.91)	0.00	8.61	12.19	134,026	1.14	1.18	5	
2022	12.35	0.10	(1.17)	(1.07)	(0.08)	(0.77)	(1.06)	(1.92)	0.00	9.36	(9.81)	128,315	0.81	1.17	1	
2021	11.15	0.12	3.34	3.46	(0.11)	(1.24)	(0.91)	(2.26)	0.00	12.35	31.71	134,073	0.89	1.17	1	
2020	14.68	0.14(h)	(0.02)	0.12	(0.14)	(2.39)	(1.12)	(3.65)	0.00	11.15	1.14	130,903	1.00(h)	1.20	0(g)	
2019	20.13	0.19	(0.41)	(0.22)	(0.19)	(3.72)	(1.32)	(5.23)	0.00	14.68	(0.86)	208,893	1.00	1.20	1	

\* Based on year to date book income. Amounts are subject to change and recharacterization at year end.

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

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

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

(c) The Fund received credits from a designated broker who agreed to pay certain Fund operating expenses. For all periods presented, there was no impact on the expense ratios.

(d) The Fund incurred interest expense during the six months ended March 31, 2024 and the fiscal years ended September 30, 2023, 2022, 2021, 2020, and 2019. If interest expense had not been incurred, the ratio of operating expenses to average net assets would have been 1.42%, 1.42%, 1.41%, 1.41%, 1.42%, and 1.40% (Class AAA and Class A), 2.17%, 2.17%, 2.16%, 2.16%, 2.17%, and 2.15% (Class C1), 1.17%, 1.17%, 1.16%, 1.16%, 1.17%, and 1.15% (Class I), and 2.17%, and 2.29% (Class C), respectively.

(e) For the six months ended March 31, 2024, unaudited.

(f) Annualized.

(g) Amount represents less than 0.5%.

(h) Includes income resulting from special dividends. Without these dividends, the per share income (loss) amounts would have been \$0.09 (Class AAA and Class A), \$(0.01) (Class C), and \$0.13 (Class I), respectively, and the net investment income (loss) ratio would have been 0.68% (Class AAA and Class A), (0.07)% (Class C), and 0.93% (Class I), respectively.

(i) Class C commenced on June 1, 2023.

(j) Amount represents less than 0.005%.

See accompanying notes to financial statements.

## The Gabelli Equity Income Fund

### Notes to Financial Statements (Unaudited)

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**1. Organization.** The Gabelli Equity Income Fund, a series of the Gabelli Equity Series Funds, Inc. (the Corporation), was incorporated on July 25, 1991 in Maryland. The Fund is a diversified open-end management investment company registered under the Investment Company Act of 1940, as amended (the 1940 Act), and is one of four separately managed portfolios (collectively, the Portfolios) of the Corporation. The Fund seeks to provide a high level of total return on its assets with an emphasis on income. The Fund commenced investment operations on January 2, 1992.

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

**Security Valuation.** Portfolio securities listed or traded on a nationally recognized securities exchange or traded in the U.S. over-the-counter market for which market quotations are readily available are valued at the last quoted sale price or a market's official closing price as of the close of business on the day the securities are being valued. If there were no sales that day, the security is valued at the average of the closing bid and asked prices or, if there were no asked prices quoted on that day, then the security is valued at the closing bid price on that day. If no bid or asked prices are quoted on such day, the security is valued at the most recently available price or, if the Board of Directors (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 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 of 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 Gabelli Equity Income Fund

### Notes to Financial Statements (Unaudited) (Continued)

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

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

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input both individually and in the aggregate that is significant to the fair value measurement. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of the Fund's investments in securities by inputs used to value the Fund's investments as of March 31, 2024 is as follows:

	Valuation Inputs Level 1 Quoted Prices	Total Market Value at 03/31/24
<b>INVESTMENTS:</b>		
<b>ASSETS (Market Value):</b>		
Common Stocks (a)	\$ 514,870,694	\$ 514,870,694
<b>TOTAL INVESTMENTS – ASSETS</b>	<b>\$ 514,870,694</b>	<b>\$ 514,870,694</b>

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

The Fund held no Level 3 investments at March 31, 2024 or September 30, 2023. The Fund's policy is to recognize transfers among levels as of the beginning of the reporting period.

### 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 apply. A significant change in the unobservable inputs could result in a lower or higher value in Level 3 securities. The

## The Gabelli Equity Income Fund

### Notes to Financial Statements (Unaudited) (Continued)

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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 may include backtesting the prices realized in subsequent trades of these fair valued securities to fair values previously recognized.

**Securities Sold Short.** The Fund enters 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. At March 31, 2024, there were no short sales outstanding.

**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 may invest up to 15% of its net assets 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



**The Gabelli Equity Income Fund**  
**Notes to Financial Statements (Unaudited) (Continued)**

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. At March 31, 2024, the Fund did not hold any restricted securities.

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

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

In calculating the NAV per share of each class, investment income, realized and unrealized gains and losses, redemption fees, and expenses other than class specific expenses are allocated daily to each class of shares based upon the proportion of net assets of each class at the beginning of each day. Distribution expenses are borne solely by the class incurring the expense.

**Distributions to Shareholders.** Distributions to shareholders are recorded on the ex-dividend date. The characterization of distributions to shareholders is based on income and capital gains as determined in accordance with federal income tax regulations, which may differ from income and capital gains as determined under GAAP. These differences are primarily due to differing treatments of income and gains on various investment securities and foreign currency transactions held by the Fund, timing differences, and differing characterizations of distributions made by the Fund. Distributions from net investment income for federal income tax purposes include net realized gains on foreign currency transactions. These book/tax differences are either temporary or permanent in nature. To the extent these differences are permanent, adjustments are made to the appropriate capital accounts in the period when the differences arise. These reclassifications have no impact on the NAV of the Fund.

The tax character of distributions paid during the fiscal year ended September 30, 2023 was as follows:

<b>Distributions paid from:</b>	
Ordinary income . . . . .	\$ 5,241,338
Net long term capital gains . . . . .	43,401,367
Return of capital . . . . .	65,901,598
Total distributions paid* . . . . .	<u>\$ 114,544,303</u>

\* Total distributions paid differs from the Statement of Changes in Net Assets due to the utilization of equalization.

The Fund has a fixed distribution policy. Under the policy, the Fund declares and pays monthly distributions from net investment income, capital gains, and paid-in capital. The actual source of the distribution is determined

The Gabelli Equity Income Fund

Notes to Financial Statements (Unaudited) (Continued)

after the end of the calendar year. Pursuant to this policy, distributions during the calendar year are made in excess of required distributions. To the extent such distributions are made from current earnings and profits, they are considered ordinary income or long term capital gains. Distributions sourced from paid-in capital should not be considered as dividend yield or the total return from an investment in the Fund. The Board continues to evaluate its distribution policy in light of ongoing economic and market conditions and may change the amount of the monthly distributions in the future.

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

The following summarizes the tax cost of investments and the related net unrealized appreciation at March 31, 2024:

	Cost	Gross Unrealized Appreciation	Gross Unrealized Depreciation	Net Unrealized Appreciation
Investments . . . . .	\$177,045,614	\$342,062,060	\$(4,236,980)	\$337,825,080

The Fund is required to evaluate tax positions taken or expected to be taken in the course of preparing the Fund’s tax returns to determine whether the tax positions are “more-likely-than-not” of being sustained by the applicable tax authority. Income tax and related interest and penalties would be recognized by the Fund as tax expense in the Statement of Operations if the tax positions were deemed not to meet the more-likely-than-not threshold. During the six months ended March 31, 2024, the Fund did not incur any income tax, interest, or penalties. As of March 31, 2024, the Adviser has reviewed all open tax years and concluded that there was no impact to the Fund’s net assets or results of operations. The Fund’s federal and state tax returns for the prior three fiscal years remain open, subject to examination. On an ongoing basis, the Adviser will monitor the Fund’s tax positions to determine if adjustments to this conclusion are necessary.

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

**4. Distribution Plan.** The Fund’s Board has adopted a distribution plan (the Plan) for each class of shares, except for Class I Shares, pursuant to Rule 12b-1 under the 1940 Act. Under the Class AAA, Class A, Class C, and Class C1 Share Plans, payments are authorized to G.distributors, LLC (the Distributor), an affiliate of the Adviser, at annual rates of 0.25%, 0.25%, 1.00%, and 1.00%, respectively, of the average daily net assets of those classes, the annual limitations under each Plan. Such payments are accrued daily and paid monthly.

## The Gabelli Equity Income Fund

### Notes to Financial Statements (Unaudited) (Continued)

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**5. Portfolio Securities.** Purchases and sales of securities during the six months ended March 31, 2024, other than short term securities and U.S. Government obligations, aggregated \$2,014,807 and \$48,745,107, respectively.

**6. Transactions with Affiliates and Other Arrangements.** During the six months ended March 31, 2024, the Fund paid \$6,566 in brokerage commissions on security trades to G.research, LLC, an affiliate of the Adviser. Additionally, the Distributor retained a total of \$72,589 from investors representing commissions (sales charges and underwriting fees) on sales and redemptions of Fund shares.

During the six months ended March 31, 2024, the Fund received credits from a designated broker who agreed to pay certain Fund operating expenses. The amount of such expenses paid through this directed brokerage arrangement during this period was \$4,423.

The cost of calculating the Fund's NAV per share is a Fund expense pursuant to the Advisory Agreement. During the six months ended March 31, 2024, the Fund accrued \$22,500, in connection with the cost of computing the Fund's NAV.

The Corporation pays retainer and per meeting fees to Directors not affiliated with the Adviser, plus specified amounts to the Lead Director and Audit Committee Chairman. Directors are also reimbursed for out of pocket expenses incurred in attending meetings. Directors who are directors or employees of the Adviser or an affiliated company receive no compensation or expense reimbursement from the Corporation.

**7. Line of Credit.** The Fund participates in an unsecured line of credit, which expires on February 26, 2025 and may be renewed annually, of up to \$75,000,000 under which it may borrow up to 10% of its net assets from the bank for temporary borrowing purposes. Borrowings under this arrangement bear interest at a floating rate equal to the higher of the Overnight Federal Funds Rate plus 135 basis points or the Overnight Bank Funding Rate plus 135 basis points in effect on that day. This amount, if any, would be included in "Interest expense" in the Statement of Operations. At March 31, 2024, there was \$719,000 outstanding under the line of credit.

The average daily amount of borrowings outstanding under the line of credit for 68 days of borrowings during the six months ended March 31, 2024 was \$1,795,676 with a weighted average interest rate of 6.55%. The maximum amount borrowed at any time during the six months ended March 31, 2024 was \$8,936,000.

**8. Capital Stock.** The Fund offers four classes of shares – Class AAA Shares, Class A Shares, Class C Shares, and Class I Shares. On March 13, 2023, Class C shares were renamed Class C1 shares, and effective March 15 through May 30, 2023, the Fund temporarily reopened its Class C1 shares to purchases by new investors. After May 30, 2023, neither new nor existing shareholders may purchase additional C1 shares. Class C shares were issued beginning May 30, 2023. These changes have no effect on existing Class C1 shareholders' ability to redeem these shares. Class AAA and Class I shares are offered without a sales charge. Class A Shares are subject to a maximum front-end sales charge of 5.75%. Class C Shares are subject to a 1.00% contingent deferred sales charge for one year after purchase.

The Fund imposes a redemption fee of 2.00% on all classes of shares that are redeemed or exchanged on or before the seventh day after the date of a purchase. The redemption fee is deducted from the proceeds otherwise payable to the redeeming shareholders and is retained by the Fund as an increase in paid-in capital. The redemption fees retained by the Fund during the six months ended March 31, 2024 and the fiscal year

## The Gabelli Equity Income Fund

### Notes to Financial Statements (Unaudited) (Continued)

ended September 30, 2023, if any, can be found in the Statement of Changes in Net Assets under Redemption Fees.

Transactions in shares of capital stock were as follows:

	Six Months Ended March 31, 2024 (Unaudited)		Year Ended September 30, 2023	
	Shares	Amount	Shares	Amount
<b>Class AAA</b>				
Shares sold . . . . .	738,754	\$ 5,466,139	1,174,663	\$ 10,172,938
Shares issued upon reinvestment of distributions . . . . .	2,420,109	17,874,775	6,147,305	49,649,725
Shares redeemed . . . . .	(3,302,110)	(24,628,870)	(4,706,054)	(40,534,051)
Net increase/(decrease) . . . . .	<u>(143,247)</u>	<u>\$ (1,287,956)</u>	<u>2,615,914</u>	<u>\$ 19,288,612</u>
<b>Class A</b>				
Shares sold . . . . .	2,629,978	\$ 19,214,275	4,258,757	\$ 36,060,183
Shares issued upon reinvestment of distributions . . . . .	1,348,719	9,777,366	2,979,277	23,521,783
Shares redeemed . . . . .	(2,203,811)	(16,078,954)	(3,201,866)	(26,713,568)
Net increase . . . . .	<u>1,774,886</u>	<u>\$ 12,912,687</u>	<u>4,036,168</u>	<u>\$ 32,868,398</u>
<b>Class C*</b>				
Shares sold . . . . .	220,152	\$ 1,946,955	78,914	\$ 783,387
Shares issued upon reinvestment of distributions . . . . .	12,980	114,751	6,499	57,017
Shares redeemed . . . . .	(25,123)	(221,800)	(14,550)	(141,092)
Net increase . . . . .	<u>208,009</u>	<u>\$ 1,839,906</u>	<u>70,863</u>	<u>\$ 699,312</u>
<b>Class C1</b>				
Shares sold . . . . .	27,910	\$ 64,281	238,073	\$ 769,577
Shares issued upon reinvestment of distributions . . . . .	2,022,205	4,594,699	3,538,227	11,034,199
Shares redeemed . . . . .	(2,854,033)	(6,638,529)	(4,569,461)	(14,895,413)
Net decrease . . . . .	<u>(803,918)</u>	<u>\$ (1,979,549)</u>	<u>(793,161)</u>	<u>\$ (3,091,637)</u>
<b>Class I</b>				
Shares sold . . . . .	471,408	\$ 3,995,490	3,283,389	\$ 33,307,281
Shares issued upon reinvestment of distributions . . . . .	917,125	8,035,301	2,861,760	26,958,291
Shares redeemed . . . . .	(3,551,389)	(31,524,354)	(4,294,132)	(43,281,567)
Net increase/(decrease) . . . . .	<u>(2,162,856)</u>	<u>\$ (19,493,563)</u>	<u>1,851,017</u>	<u>\$ 16,984,005</u>

\* Class C shares were first offered on June 1, 2023.

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

## The Gabelli Equity Income Fund

### Notes to Financial Statements (Unaudited) (Continued)

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**10. Subsequent Events.** On April 22, 2024, the Fund announced that after the close of business on May 28, 2024 or, with respect to shares held in “street name” through intermediaries having a pre-existing contractual agreement requiring additional time, as soon as practicable thereafter, the Fund will convert Class C1 shares into Class C shares, and then eliminate Class C1 shares of the Fund. Management has evaluated the impact on the Fund of all other subsequent events occurring through the date the financial statements were issued and has determined that there were no subsequent events requiring recognition or disclosure in the financial statements.

## **The Gabelli Equity Income Fund**

### **Board Consideration and Re-Approval of Management Agreement (Unaudited)**

During the six months ended March 31, 2024, the Board of Directors of the Corporation approved the continuation of the investment advisory agreement with the Adviser for the Fund on the basis of the recommendation by the directors (the Independent Board Members) who are not “interested persons” of the Fund. The following paragraphs summarize the material information and factors considered by the Independent Board Members as well as their conclusions relative to such factors.

**Nature, Extent, and Quality of Services.** The Independent Board Members considered information regarding the portfolio manager, the depth of the analyst pool available to the Adviser and the portfolio manager, the scope of supervisory, administrative, shareholder and other services supervised or provided by the Adviser and the absence of significant service problems reported to the Board. The Independent Board Members noted the experience, length of service and reputation of the portfolio manager.

**Investment Performance.** The Independent Board Members reviewed the short, medium and long term performance (as of December 31, 2023) of the Fund against a peer group of seven other comparable funds prepared by the Adviser (the “Adviser Peer Group”) and against a peer group prepared by Broadridge (the “Broadridge Performance Peer Group”) consisting of institutional equity income funds, regardless of asset size or primary channel of distribution, as represented by the Lipper Equity Income Index. The Independent Board Members noted that the Fund’s performance was in the second quartile for the five-year period, the third quartile for the one- and three-year periods, and the fourth quartile for the ten-year period, as measured against the Adviser Peer Group. Against the Broadridge Performance Peer Group, the Independent Board Members noted that the Fund’s performance was in the third quintile for the three- and five-year periods, the fourth quintile for the one-year period, and the fifth quintile for the ten-year period.

**Profitability.** The Independent Board Members reviewed summary data regarding the profitability of the Fund to the Adviser both with an administrative overhead charge and without such a charge. The Independent Board Members also noted that a substantial portion of the Fund’s portfolio transactions were executed by an affiliated broker, that another affiliated broker received distribution fees and minor amounts of sales commissions, and that the Adviser received a moderate level of soft dollar research benefits through the Fund’s portfolio brokerage.

**Economies of Scale.** The Independent Board Members discussed the major elements of the Adviser’s cost structure and the relationship of those elements to potential economies of scale.

**Sharing of Economies of Scale.** The Independent Board Members noted that the investment management fee schedule for the Fund does not take into account any potential economies of scale that may develop.

**Service and Cost Comparisons.** The Independent Board Members compared the expense ratios of the investment management fee, other expenses and total expenses of the Fund to similar expense ratios of the Adviser Peer Group and a peer group of 18 other equity income funds selected by Broadridge and noted that the Adviser’s management fee includes substantially all administrative services for the Fund as well as investment advisory services. The Independent Board Members noted that the Fund’s expense ratio was above average within this group. The Independent Board Members also noted that the management fee structure was the same as that in effect for most of the Gabelli funds. The Independent Board Members were presented with, but did not consider to be material to their decision, various information comparing the advisory fee with the fee for other types of accounts managed by the Adviser.

## **The Gabelli Equity Income Fund**

### **Board Consideration and Re-Approval of Management Agreement (Unaudited) (Continued)**

**Conclusions.** The Independent Board Members concluded that the Fund enjoyed highly experienced portfolio management services, good ancillary services and an acceptable overall performance record. The Independent Board Members also concluded that the Fund's expense ratios and the profitability to the Adviser of managing the Fund were acceptable and that economies of scale were not a significant factor in their thinking at this time. The Independent Board Members did not view the potential profitability of ancillary services as material to their decision. On the basis of the foregoing and without assigning particular weight to any single conclusion, the Independent Board Members determined to recommend continuation of the Advisory Agreement to the full Board.

Based on a consideration of all these factors in their totality, the Board Members, including all of the Independent Board Members, determined that the Fund's advisory fee was acceptable in light of the quality of services provided and in light of the other factors described above that the Board deemed relevant. Accordingly, the Board Members determined to approve the continuation of the Fund's Advisory Agreement. The Board based its decision on evaluations of all these factors as a whole and did not consider any one factor as all-important or controlling.



**THE GABELLI EQUITY INCOME FUND**  
**One Corporate Center**  
**Rye, NY 10580-1422**

**Portfolio Manager's Biography**

**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.

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Distribution Solutions, Inc.

**LEGAL COUNSEL**  
Skadden, Arps, Slate, Meagher &  
Flom LLP

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

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GABELLI  
FUNDS

# THE GABELLI EQUITY INCOME FUND

*Semiannual Report  
March 31, 2024*

