GAMCO INVESTORS, INC.

A Delaware Corporation

191 Mason Street, Greenwich, CT 06830

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Federal EIN: 13-4007862
SIC code: 6211

Issuer's Quarterly Report

For the quarterly period ended March 31, 2025

Indicate the number of shares outstanding of each of the Issuer's classes of Common Stock, as of the end of the previous reporting period and the latest practical date.

Class	Outstanding at December 31, 2024	Outstanding at April 30, 2025
Class A Common Stock, $0.001 par value (OTCQX: GAMI)	3,918,362	3,399,596
Class B Common Stock, $0.001 par value	19,011,934	19,011,934

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

Yes ☐ No ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes ☐ No ☒

Indicate by check mark whether a Change in Control of the company has occurred over this reporting period:

Yes ☐ No ☒

GAMCO Investors, Inc. is responsible for the content of this Quarterly Report. The securities described in this document are not registered with, and the information contained in this report has not been filed with, or approved by, the U.S. Securities and Exchange Commission.

GAMCO INVESTORS, INC. AND SUBSIDIARIES

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ITEM 1: EXACT NAME OF THE ISSUER AND THE ADDRESS OF ITS PRINCIPAL EXECUTIVE OFFICES

The name of the issuer is GAMCO Investors, Inc.

Unless indicated otherwise, or the context otherwise requires, references in this report to "GAMCO Investors, Inc.," "Gabelli," "the Company," "the Firm," and "GAMI" or similar terms are to GAMCO Investors, Inc., its predecessors, and its subsidiaries.

Company Description
Gabelli (OTCQX: GAMI), established in 1977 and incorporated under the laws of Delaware, is a widely-recognized provider of investment advisory services to 24 open-end funds, 13 United States ("U.S.") closed-end funds and one United Kingdom limited investment company (collectively, "closed-end funds"), 5 actively managed exchange traded funds ("ETFs"), one société d'investissement à capital variable ("SICAV"), and approximately 1,400 institutional and private wealth management ("Institutional and PWM") investors principally in the U.S. The Company's revenues are based primarily on the levels of assets under management ("AUM") and fees associated with the various investment products.

In 1977, Gabelli launched its well-known All Cap Value equity strategy, Gabelli Value, in a separate account format and in 1986 entered the mutual fund business. Today, Gabelli offers a diverse set of client solutions across asset classes (e.g. Equities, Debt Instruments, Convertibles, non-market correlated Merger Arbitrage), regions, market capitalizations, sectors (e.g. Gold, Utilities) and investment styles (e.g. Value, Growth). Gabelli serves a broad client base, including institutions, intermediaries, offshore investors, private wealth, and direct retail investors.

The investment advisory business is conducted principally through the following subsidiaries: Gabelli Funds, LLC (open-end funds, closed-end funds, actively managed ETFs, and SICAV, collectively, the "Funds") ("Gabelli Funds") and GAMCO Asset Management Inc. (Institutional and PWM) ("GAMCO Asset"). The distribution of open-end funds and actively managed ETFs are conducted through G.distributors, LLC ("G.distributors"), the Company's broker-dealer subsidiary.

The principal executive office and principal place of business is located at 191 Mason Street, Greenwich, CT 06830.

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ITEM 2: SHARES OUTSTANDING

There are two classes of Gabelli's common stock: class A ("Class A Stock") and class B ("Class B Stock"). Class A Stock trades on the OTCQX market under the symbol GAMI and Class B Stock does not trade publicly. The following table shows summary information on each class of securities outstanding as of March 31, 2025 and December 31, 2024 and 2023.

Class A Stock	March 31, 2025	December 31, 2024	December 31, 2023
Number of shares authorized	5,600,000	5,600,000	100,000,000
Number of shares outstanding	3,418,652	3,918,362	5,894,276
Number of shares freely tradable (public float)	2,445,409	2,911,443	3,128,029
Total number of holders	128	128	135

Class B Stock	March 31, 2025	December 31, 2024	December 31, 2023
Number of shares authorized	20,000,000	20,000,000	25,000,000
Number of shares outstanding	19,011,934	19,011,934	19,011,934
Number of shares freely tradable (public float)	-	-	-
Total number of holders	17	17	17

At the Annual Meeting of Shareholders held on July 10, 2024, the following changes to the Company's authorized stock were approved: i) the Class A shareholders, voting together as a single class, approved an amendment to the Company's Amended and Restated Certificate of Incorporation ("Amended Certificate") to decrease the authorized number of shares of Class A Stock from 100,000,000 to 5,600,000; ii) the Class B shareholders, voting together as a single class, approved an amendment to the Company's Amended

Certificate to decrease the authorized number of shares of Class B Stock from 25,000,000 to 20,000,000; and iii) the Class A and Class B shareholders, voting together, approved an amendment to the Company's Amended Certificate to eliminate the authorized shares of preferred stock. The Amended Certificate has been filed with the Delaware Division of Corporations with an effective date of July 22, 2024.

The number of shares freely tradable may include shares held by stockholders owning 10% or more of our Class A Stock. These shareholders may be considered "affiliates" within the meaning of Rule 144 and their shares may be "control shares" subject to the volume and manner of sale restrictions under Rule 144. Gabelli's board of directors (the "Board of Directors") has authorized the exchange of Class B Stock for Class A Stock on a one for one basis.

The initial public offering ("IPO") on the New York Stock Exchange ("NYSE") under the symbol GBL was in February 1999. Gabelli voluntarily delisted from the NYSE and began trading on the OTCQX under the new symbol GAMI as of October 7, 2022. Gabelli voluntarily deregistered with the U.S. Securities and Exchange Commission ("SEC") as of December 27, 2022.

Voting Rights

The holders of Class A Stock and Class B Stock have identical rights except that (i) holders of Class A Stock are entitled to one vote per share, while holders of Class B Stock are entitled to ten votes per share, on all matters to be voted on by shareholders in general, and (ii) holders of Class A Stock are not eligible to vote on matters relating exclusively to Class B Stock and vice versa.

Stock Award and Incentive Plan

The Company maintains a stock award and incentive plan approved by the shareholders (the "Plan"), which is designed to provide incentives which will attract and retain individuals key to the success of Gabelli through direct or indirect ownership of our common stock. A maximum of 7.5 million shares of Class A Stock have been reserved for issuance under the Plan by a committee of the Board of Directors responsible for administering the Plan ("Compensation Committee"). Benefits under the Plan may be granted in any one or a combination of stock options, stock appreciation rights, restricted stock, restricted stock units, stock awards, phantom stock awards, dividend equivalents, and other stock or cash based awards. Under the Plan, the Compensation Committee may grant restricted stock awards ("RSAs"), each of which entitles the grantee to one share of Class A Stock subject to restrictions and is treated as an equity award under U.S. generally accepted accounting principles ("GAAP"), phantom RSAs, each of which entitles the grantee to the cash value of one share of Class A Stock subject to restrictions and is treated as a liability award under GAAP, and either incentive or nonqualified stock options, with a term not to exceed ten years from the grant date and at an exercise price that the Compensation Committee may determine, which were recommended by the Company's Executive Chairman who did not receive any awards.

As of March 31, 2025 and December 31, 2024, there were no RSAs outstanding and 10,000 stock options outstanding with an exercise price of $25.55. As of March 31, 2025 and December 31, 2024, there were 1,077,860 phantom RSAs outstanding with weighted average grant prices per phantom RSA of $22.66.

Stock Repurchase Program

In March 1999, the Board of Directors established a stock repurchase program (the "Stock Repurchase Program") to grant management the authority to repurchase shares of Class A Stock. On May 7, 2024, August 6, 2024, and February 4, 2025, the Board of Directors increased the buyback authorization under the Stock Repurchase Program by 500,000, 500,000, and 477,877 shares, respectively, of Class A Stock. At March 31, 2025, the total shares available under the Stock Repurchase Program to be repurchased in the future were 1,013,261. The Stock Repurchase Program is not subject to an expiration date. Shares of common stock may be purchased from time to time in the future, however share repurchase amounts and prices may vary after considering a variety of factors, including the company's financial position, earnings, other alternative uses of cash, macroeconomic issues, and market conditions.

The following table provides information regarding purchases of Class A Stock made by or on behalf of the Company or any affiliated purchaser during the three months ended March 31, 2025:

Period	Total Number of Shares Purchased (1)	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (1)	Maximum Number of Shares That May Yet Be Purchased Under the Plans or Programs
1/01/25 - 1/31/25	12,971	$ 23.95	12,971	1,022,123
2/01/25 - 2/28/25	477,722	24.28	477,722	1,022,278
3/01/25 - 3/31/25	9,017	23.78	9,017	1,013,261
Totals	499,710	24.27	499,710	

(1) On trade date basis.

Dividends

The declaration of dividends by Gabelli is subject to the discretion of our Board of Directors. Our Board of Directors will consider such matters as general business conditions, our financial results, capital requirements, contractual, legal and regulatory restrictions on the payment of dividends, and such other factors as our Board of Directors may deem relevant.

As of March 31, 2025, since the IPO, we have returned to shareholders $2.3 billion in total, of which $1.0 billion was in the form of the spin-offs of Associated Capital Group, Inc. and Teton Advisors, Inc., $616 million was through our stock buyback program, and $647 million was from dividends, in addition to $80 million to charities.

During the three months ended March 31, 2025, the Company declared cash dividends of $0.08 per share to shareholders of Class A Stock and Class B Stock totaling $1.8 million. On May 7, 2025, the Board of Directors declared its regular quarterly dividend of $0.08 per share to all of the Company’s shareholders, payable on June 24, 2025 to shareholders of record on June 10, 2025.

ITEM 3: INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

GAMCO INVESTORS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
UNAUDITED
(in thousands, except share and per share data)

	March 31, 2025	December 31, 2024
ASSETS		
Cash and cash equivalents	$ 53,596	$ 17,254
Short-term investments in U.S. Treasury Bills	49,900	99,216
Investments in fixed maturity securities	5,895	5,657
Investments in securities, at fair value	65,994	60,650
Investment advisory and incentive fees receivable	16,990	18,189
Deferred tax asset and income tax receivable	9,420	8,042
Receivable from brokers	3,030	3,103
Finance lease	2,632	2,719
Goodwill and identifiable intangible assets	2,634	2,634
Receivable from affiliates	2,037	1,845
Other assets	5,976	5,368
Total assets	$ 218,104	$ 224,677
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Compensation payable	$ 26,915	$ 40,633
Lease liability obligations	4,772	4,940
Payable to affiliates	310	371
Securities sold, not yet purchased	280	-
Income taxes payable	9,902	193
Accrued expenses and other liabilities	34,351	41,235
Total liabilities	76,530	87,372
Commitments and contingencies (Note 10)		
Stockholders' Equity:		
Class A Common Stock, $0.001 par value; 5,600,000 shares authorized; 5,600,000 shares issued; 3,418,652 and 3,918,362 shares outstanding, respectively	6	6
Class B Common Stock, $0.001 par value; 20,000,000 authorized; 19,011,934 shares issued; 19,011,934 outstanding	19	19
Additional paid-in capital	32,351	32,351
Retained earnings	165,103	148,627
Accumulated other comprehensive loss	(200)	(245)
Treasury stock, at cost (2,181,348 and 1,681,638 shares, respectively)	(55,705)	(43,453)
Total stockholders' equity	141,574	137,305
Total liabilities and stockholders' equity	$ 218,104	$ 224,677

See notes to interim condensed consolidated financial statements

GAMCO INVESTORS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
UNAUDITED
(in thousands, except per share data)

	Three Months Ended March 31,	
	2025	**2024**
Revenues:		
Investment advisory and incentive fees	$ 53,786	$ 52,472
Distribution fees and other income	3,542	4,473
Total revenues	57,328	56,945
Expenses:		
Compensation	26,616	28,554
Management fee	2,202	2,191
Distribution costs	5,138	5,950
Other operating expenses	4,779	4,902
Total expenses	38,735	41,597
Operating income	18,593	15,348
Non-operating income		
Gain / (loss) from investments, net	(110)	1,632
Interest and dividend income	1,622	3,033
Interest expense	(292)	(293)
Total non-operating income	1,220	4,372
Income before income taxes	19,813	19,720
Provision for income taxes	1,542	3,910
Net income	$ 18,271	$ 15,810
Earnings per share:		
Basic	$ 0.81	$ 0.64
Diluted	$ 0.81	$ 0.64
Weighted average shares outstanding:		
Basic	22,632	24,808
Diluted	22,632	24,808

See notes to interim condensed consolidated financial statements.

GAMCO INVESTORS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
UNAUDITED
(in thousands)

	Three Months Ended March 31,	
	2025	**2024**
Net income	$ 18,271	$ 15,810
Other comprehensive income / (loss):		
Foreign currency translation gain / (loss)	45	(12)
Total comprehensive income	$ 18,316	$ 15,798

See notes to interim condensed consolidated financial statements.

GAMCO INVESTORS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
UNAUDITED
(in thousands, except per share data)

	Three Months Ended March 31, 2025					
	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total
Balance at December 31, 2024	$ 25	$ 32,351	$ 148,627	$ (245)	$ (43,453)	$ 137,305
Net income	-	-	18,271	-	-	18,271
Foreign currency translation	-	-	-	45	-	45
Dividends declared ($0.08 per share)	-	-	(1,795)	-	-	(1,795)
Purchases of treasury stock	-	-	-	-	(12,252)	(12,252)
Balance at March 31, 2025	$ 25	$ 32,351	$ 165,103	$ (200)	$ (55,705)	$ 141,574

	Three Months Ended March 31, 2024					
	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total
Balance at December 31, 2023	$ 33	$ 32,351	$ 527,715	$ (223)	$ (378,897)	$ 180,979
Net income	-	-	15,810	-	-	15,810
Foreign currency translation	-	-	-	(12)	-	(12)
Dividends declared ($0.04 per share)	-	-	(1,019)	-	-	(1,019)
Purchases of treasury stock	-	-	-	-	(6,472)	(6,472)
Balance at March 31, 2024	$ 33	$ 32,351	$ 542,506	$ (235)	$ (385,369)	$ 189,286

See notes to interim condensed consolidated financial statements.

GAMCO INVESTORS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
UNAUDITED
(in thousands)

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Cash flows from operating activities:		
Net income	$ 18,271	$ 15,810
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	219	214
Accretion of discounts and amortization of premiums	(685)	(1,317)
Deferred income taxes	(1,839)	73
Foreign currency translation	-	(12)
Net realized gains on securities	(1,217)	(1,035)
Net unrealized losses / (gains) on securities	1,267	(724)
(Increase) decrease in assets:		
Investments in securities	(4,125)	(488)
Investment advisory fees receivable	1,199	1,151
Income taxes receivable	461	470
Receivable from affiliates	(193)	(389)
Receivable from brokers	73	3,451
Other assets	(740)	(3,105)
Increase (decrease) in liabilities:		
Compensation payable	(13,718)	1,702
Income taxes payable	9,710	3,447
Lease liability obligation	(37)	-
Payable to affiliates	(61)	(49)
Payable for investments purchased	-	760
Accrued expenses and other liabilities	(6,884)	192
Total adjustments	(16,570)	4,341
Net cash provided by operating activities	1,701	20,151
Cash flows from investing activities:		
Purchases of securities	(1,393)	(63,526)
Proceeds from sales and maturities of securities	50,167	54,549
Net cash provided by/ (used in) investing activities	48,774	(8,977)
Cash flows from financing activities:		
Purchases of treasury stock	(12,252)	(6,408)
Dividends paid	(1,795)	(991)
Repayment of principal portion of lease liability	(131)	(108)
Net cash used in financing activities	(14,178)	(7,507)
Effect of exchange rates on cash and cash equivalents	45	(1)
Net increase in cash and cash equivalents	36,342	3,666
Cash and cash equivalents, beginning of period	17,254	61,801
Cash and cash equivalents, end of period	$ 53,596	$ 65,467
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ 290	$ 291
Cash paid for taxes	$ 260	$ 535

Supplemental disclosure of non-cash activity:

For the three months ended March 31, 2025 and 2024, the Company accrued excise tax payable on purchases of treasury stock of $121 and $64, respectively.

For the three months ended March 31, 2025 and 2024, the Company accrued dividends on restricted stock awards of $0 and $28, respectively.

See notes to interim condensed consolidated financial statements.

1. Organization and Description of Business

GAMCO Investors, Inc. ("Gabelli" or the "Company") (OTCQX: GAMI), established in 1977 and incorporated under the laws of Delaware, is a widely-recognized provider of investment advisory services to 24 open-end funds, 13 United States ("U.S.") closed-end funds and one United Kingdom limited investment company (collectively, "closed-end funds"), 5 actively managed exchange traded funds ("ETFs"), one société d'investissement à capital variable ("SICAV"), and approximately 1,400 institutional and private wealth management ("Institutional and PWM") investors principally in the U.S. The Company's revenues are based primarily on the levels of assets under management ("AUM") and fees associated with the various investment products.

In 1977, Gabelli launched its well-known All Cap Value equity strategy, Gabelli Value, in a separate account format and in 1986 entered the mutual fund business. Today, Gabelli offers a diverse set of client solutions across asset classes (e.g. Equities, Debt Instruments, Convertibles, non-market correlated Merger Arbitrage), regions, market capitalizations, sectors (e.g. Gold, Utilities) and investment styles (e.g. Value, Growth). Gabelli serves a broad client base, including institutions, intermediaries, offshore investors, private wealth, and direct retail investors.

The investment advisory business is conducted principally through the following subsidiaries: Gabelli Funds, LLC (open-end funds, closed-end funds, actively managed ETFs, and SICAV, collectively, the "Funds") ("Gabelli Funds") and GAMCO Asset Management Inc. (Institutional and PWM) ("GAMCO Asset"), which are both registered investment advisors under the Investment Advisers Act of 1940, as amended. The distribution of open-end funds and actively managed ETFs are conducted through G.distributors, LLC ("G.distributors"), the Company's broker-dealer subsidiary, which is registered with the Securities and Exchange Commission ("SEC") and regulated by the Financial Industry Regulatory Authority.

2. Significant Accounting Policies

Basis of Presentation

The unaudited interim condensed consolidated financial statements have been prepared in conformity with U.S. generally accepted accounting principles ("GAAP") for interim financial information. Accordingly, they do not include all the information and footnotes required by U.S. GAAP for complete financial statements. The unaudited interim condensed consolidated financial statements reflect all adjustments, which are of a normal recurring nature, necessary for the fair presentation of financial position, results of operations, and cash flows of Gabelli for the interim periods presented and are not necessarily indicative of results for a full year.

The interim condensed consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries including: Gabelli Funds, GAMCO Asset, G.distributors, and GAMCO Asset Management (UK) Limited. Intercompany accounts and transactions have been eliminated. Subsidiaries are fully consolidated from the date of acquisition, being the date on which Gabelli obtains control, and continue to be consolidated until the date that such control ceases.

These interim condensed consolidated financial statements should be read in conjunction with our audited consolidated financial statements included in our annual report for the year ended December 31, 2024.

Use of Estimates

The preparation of the interim condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and those differences could be material.

Business Segment

The Company operates in one business segment, the investment advisory and asset management business. The Company conducts its business principally through Gabelli Funds (Funds) and GAMCO Asset (Institutional and PWM). The distribution of the open-end Funds and underwriting of those Funds is conducted through G.distributors. The Company has identified the Office of the CEO, comprised of the Co-CEOs of GAMI, as the chief operating decision maker ("CODM"), who uses segment expenses, the most significant of which include compensation expense, and net income in the Interim Condensed Consolidated Statements of Income to evaluate the results of the business to manage the Company. The Company's operations constitute a single operating segment and, therefore, a single reportable segment, because the CODM manages the business activities using information of the Company as a whole. The accounting policies used to measure the profit and loss of the segment are the same as those described in Note 2, Significant Accounting Policies.

Recent Accounting Developments

In December 2023, the FASB issued ASU No. 2023-09, *Improvements to Income Tax Disclosures (Topic 740)* ("ASU 2023-09"), which requires greater disaggregation of income tax disclosures related to a reporting entity's effective tax rate reconciliation as well as additional information on income taxes paid. ASU 2023-09 is effective on a prospective basis for annual periods beginning after December 15, 2024. Early adoption is also permitted for annual financial statements that have not yet been issued or made available for issuance. The Company has performed an analysis on the transition to this new guidance and it is not expected to have a material impact on the Company's interim condensed consolidated financial statements or related disclosures.

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses* ("ASU 2024-03"), which requires greater disaggregation of expense disclosures related to a reporting entity's employee compensation, depreciation, amortization, and selling expenses. ASU 2024-03 is effective on a prospective basis for annual periods beginning after December 15, 2026 and interim periods beginning after December 15, 2027. Early adoption is also permitted for annual financial statements that have not yet been issued or made available for issuance. The Company is currently assessing the impact of adopting this guidance, however it is not expected to have a material impact on the Company's interim condensed consolidated financial statements or related disclosures.

3. Revenue Recognition

In all cases for all revenue streams discussed below, the revenue generated is from a single transaction price and there is no need to allocate the amounts across more than a single revenue stream. The customer for all revenues derived from open-end funds, closed-end funds, and actively managed ETFs described in detail below has been determined to be each Fund itself and not the ultimate underlying investor in each Fund.

Significant judgments that affect the amounts and timing of revenue recognition:

The Company's analysis of the timing of revenue recognition for each revenue stream is based upon an analysis of the current terms of each contract. Performance obligations could, however, change from time to time if and when existing contracts are modified or new contracts are entered into. These changes could potentially affect the timing of satisfaction of performance obligations, the determination of the transaction price, and the allocation of the price to performance obligations. In the case of the revenue streams discussed below, the performance obligation is satisfied either at a point in time or over time. For incentive fee revenues, the performance obligation (advising a client portfolio) is satisfied over time, while the recognition of revenues effectively occurs at the end of the measurement period as defined within the contract, as such amounts are subject to reduction to zero on the date where the measurement period ends even if the performance benchmarks were exceeded during the intervening period. The judgments outlined below, where the determination as to these factors is discussed in detail, are continually reviewed and monitored by the Company when new contracts or contract modifications occur. Transaction price is in all instances formulaic and not subject to significant (or any) judgment at the current time.

Advisory Fee Revenues

Advisory fees for Funds, sub-advisory accounts, and the SICAV are earned based on predetermined percentages of the average net assets of the individual Funds and are recognized as revenues as the related services are performed. Fees for open-end Funds, one non-U.S. closed-end Fund, sub-advisory accounts, and the SICAV are computed on a daily basis based on average daily net AUM. Fees for U.S. closed-end Funds are computed on average weekly net AUM. These fees are received in cash after the end of each monthly period within 30 days. The revenue recognition occurs ratably as the performance obligation (advising the Fund) is met continuously over time. There is a risk of non-payment and, therefore, a credit loss on these receivables is possible at each reporting date. There were no such credit losses for the periods presented.

Advisory fees for Institutional and PWM accounts are earned based on predetermined percentages of the AUM and are generally computed quarterly based on account values at the end of the preceding quarter. The revenue recognition occurs daily as the performance obligation (advising the client portfolio) is met continuously. These fees are received in cash, typically within 60 days of the client being billed. There is a risk of non-payment and, therefore, a credit loss on these receivables is possible at each reporting date. There were no such credit losses for the periods presented.

Performance Correlated and Conditional Revenues

Investment advisory fees are earned on a portion of some closed-end Funds' preferred shares at year-end if the total return to common shareholders of the respective closed-end Fund for the year exceeds the dividend rate of the preferred shares. These fees are recognized at the end of the measurement period, which coincides with the calendar year. These fees would also be earned and the contract period ended at any interim point in time that the respective preferred shares are redeemed. These fees are received in cash after the end of each annual measurement period, within 30 days.

The Company earns an incentive fee from two closed-end Funds. For The GDL Fund (GDL), there is an incentive fee, which is earned and recognized as of the end of each calendar year and varies to the extent the total return of the Fund is in excess of the ICE Bank of America Merrill Lynch 3-month U.S. Treasury Bill Index total return. For the Gabelli Merger Plus+ Trust Plc (GMP), there is an incentive fee which is earned and recognized as of the end of each measurement period, June 30th, and varies to the extent the total return of the Fund is in excess of twice the rate of return of the 13-week Treasury Bill over the performance period.

In all cases of the incentive fees, because of the variable nature of the consideration, revenue recognition is delayed until it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur, which is generally when the uncertainty associated with the variable consideration is subsequently resolved (for example, the measurement period has concluded and the hurdle rate has been exceeded). There is a risk of non-payment and, therefore, a credit loss on these receivables is possible at each reporting date. There were no such credit losses for the periods presented.

Distribution Fees and Other Income

Distribution fees and other income primarily includes distribution fee revenue earned in accordance with Rule 12b-1 of the Company Act along with sales charges and underwriting fees associated with the sale of the class A shares of open-end Funds. Distribution fees are computed based on average daily net assets of certain classes of each Fund and are recognized during the period in which they are earned. These fees are received in cash after the end of each monthly period within 30 days. In evaluating the appropriate timing of the recognition of these fees, the Company applied the guidance on up-front fees to determine whether such fees are related to the transfer of a promised service (a distinct performance obligation). The Company's conclusion is that the service being provided by G.distributors to the customer in exchange for the fee is for the initial distribution of certain classes of the open-end Funds and is completed at the time of each respective sale. Any fixed amounts are recognized on the trade date and variable amounts are recognized to the extent it is probable that a significant revenue reversal will not occur once the uncertainty is resolved. For variable amounts, as the uncertainty is dependent on the value of the shares at future points in time as well as the length of time the investor remains in the Fund, both of which are highly susceptible to factors outside the Company's influence, the Company does not believe that it can overcome this constraint until the market value of the Fund and the investor activities are known, which are generally monthly. Sales charges and underwriting fees associated with the sale of certain classes of the open-end Funds are recognized on the trade date of the sale of the respective shares. There is a risk of non-payment and, therefore, a credit loss on these receivables is possible at each reporting date. There were no such credit losses for the periods presented.

Effective January 1, 2024, as a result of the amended agreement with GCIA in relation to the GAMCO Merger Arbitrage SICAV (the "Sub-Fund"), the Company earns an annual administrative and accounting services fee equal to the sum of the following: (a) a fixed amount of $45,000; (b) a variable amount equal to 0.05% (5 basis points) of the first $500 million of average daily net assets of the Sub-Fund; and (c) a variable amount equal to 0.025% (2.5 basis points) of the balance of average daily net assets of the Sub-Fund in excess of $500 million. The revenues associated with these fees are included in distribution fees and other income on the Interim Condensed Consolidated Statements of Income.

Revenue Disaggregated

The following table presents the Company's revenue disaggregated by account type (in thousands):

	Three Months Ended March 31,	
	2025	2024
Investment advisory and incentive fees:		
Open-end Funds	$ 20,610	$ 20,093
Closed-end Funds	17,902	16,918
Institutional & Private Wealth Management	15,101	15,196
Sub-advisory accounts	169	259
SICAV	4	6
Total investment advisory and incentive fees	53,786	52,472
Distribution fees and other income	3,542	4,473
Total revenues	$ 57,328	$ 56,945

4. Investments

Investments in securities at March 31, 2025 and December 31, 2024 consisted of the following (in thousands):

	March 31, 2025		December 31, 2024	
	Cost	Fair Value	Cost	Fair Value
Investments in securities:				
Actively managed ETFs	$ 17,268	$ 22,527	$ 17,022	$ 23,098
Closed-end funds[(a)]	22,133	22,142	22,124	22,121
Common stocks	21,839	14,092	17,532	9,173
Open-end funds	7,175	7,028	6,161	6,158
Other	160	205	55	100
Total investments in securities	$ 68,575	$ 65,994	$ 62,894	$ 60,650

(a) Includes $21,500 of privately issued, puttable, and callable preferred securities, of which $19,000 are subject to mandatory redemption, issued by the closed-end Funds at March 31, 2025 and December 31, 2024.

Securities sold, not yet purchased at March 31, 2025 and December 31, 2024 consisted of the following (in thousands):

	March 31, 2025		December 31, 2024	
	Cost	Estimated Fair Value	Cost	Estimated Fair Value
Investments in equity securities:				
Common stocks	$ 348	$ 280	$ -	$ -
Total securities sold, not yet purchased	$ 348	$ 280	$ -	$ -

Management determines the appropriate classification of debt securities at the time of purchase. These debt securities include investments in preferred securities subject to mandatory redemption which are classified as trading, with any unrealized gains or losses reported in current period earnings in gain/(loss) from investments, net on the Interim Condensed Consolidated Statements of Income. Investments in fixed maturity securities include government debt with maturities exceeding three months at the time of purchase and are classified as either trading, available for sale ("AFS"), or held-to-maturity ("HTM"). The Company does not hold any investments in debt securities accounted for as AFS.

Short-term investments in U.S. Treasury Bills and investments in fixed maturity securities, which are HTM, at March 31, 2025 and December 31, 2024 consisted of the following (in thousands):

	March 31, 2025			
	Amortized Cost	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Estimated Fair Value
Short-term investments in U.S. Treasury Bills:				
U.S. Treasury Bills	$ 49,900	$ 6	$ -	$ 49,906
Total short-term investments in U.S. Treasury Bills	$ 49,900	$ 6	$ -	$ 49,906
Investments in fixed maturity securities:				
U.K. gilts	$ 5,895	$ -	$ (94)	$ 5,801
Total investments in fixed maturity securities	$ 5,895	$ -	$ (94)	$ 5,801

	December 31, 2024			
	Amortized Cost	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Estimated Fair Value
Short-term investments in U.S. Treasury Bills:				
U.S. Treasury Bills	$ 99,216	$ 54	$ -	$ 99,270
Total short-term investments in U.S. Treasury Bills	$ 99,216	$ 54	$ -	$ 99,270
Investments in fixed maturity securities:				
U.K. gilts	$ 5,657	$ -	$ (80)	$ 5,577
Total investments in fixed maturity securities	$ 5,657	$ -	$ (80)	$ 5,577

The maturity dates of the U.S. Treasury Bills were all less than a year. As of March 31, 2025, the maturity dates of $4,283 of the U.K gilts were less than a year and $1,612 were between one and five years. As of December 31, 2024, the maturity dates of $2,303 of the U.K gilts were less than a year and $3,354 were between one and five years.

5. Fair Value

All of the instruments within cash equivalents and investments in securities are measured at fair value. The Company's assets and liabilities recorded at fair value have been categorized based upon a fair value hierarchy in accordance with the FASB Accounting Standards Codification ("ASC") Topic 820, *Fair Value Measurement* ("ASC 820"), guidance on fair value measurement. The levels of the fair value hierarchy and their applicability to the Company are described below:

- Level 1 - the valuation methodology utilizes quoted prices (unadjusted) in active markets for identical assets or liabilities at the reporting date. Level 1 assets include cash equivalents, government obligations, open-end funds, closed-end funds, and listed equities.
- Level 2 - the valuation methodology utilizes inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities that are not active, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly-quoted intervals.
- Level 3 - the valuation methodology utilizes unobservable inputs for the asset or liability, and includes situations where there is little, if any, market activity for the asset or liability. Level 3 assets include privately issued preferred securities of closed-end funds.

The following tables summarize the Company's assets and liabilities measured at fair value on a recurring basis by the above fair value hierarchy levels as of March 31, 2025 and December 31, 2024 (in thousands):

Assets and liabilities measured at fair value on a recurring basis as of March 31, 2025

Assets	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of March 31, 2025
Cash equivalents	$ 52,833	$ -	$ -	$ 52,833
Investments in securities:				
Actively managed ETFs	22,527	-	-	22,527
Closed-end funds	642	-	21,500	22,142
Common stocks	14,092	-	-	14,092
Open-end funds	7,028	-	-	7,028
Other	50	-	155	205
Total investments in securities	44,339	-	21,655	65,994
Total assets at fair value	$ 97,172	$ -	$ 21,655	$ 118,827
Liabilities				
Securities sold, not yet purchased:				
Common stocks	$ 280	$ -	$ -	$ 280
Total securities sold, not yet purchased	$ 280	$ -	$ -	$ 280

Assets and liabilities measured at fair value on a recurring basis as of December 31, 2024

Assets	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2024
Cash equivalents	$ 16,621	$ -	$ -	$ 16,621
Investments in securities:				
Actively managed ETFs	23,098	-	-	23,098
Closed-end funds	621	-	21,500	22,121
Common stocks	9,173	-	-	9,173
Open-end funds	6,158	-	-	6,158
Other	50	-	50	100
Total investments in securities	39,100	-	21,550	60,650
Total assets at fair value	$ 55,721	$ -	$ 21,550	$ 77,271

The following tables present additional information about assets and liabilities by major categories measured at fair value on a recurring basis and for which the Company has utilized Level 3 inputs to determine fair value for the three months ended March 31, 2025 and 2024:

Changes in Level 3 Assets and Liabilities Measured at Fair Value on a Recurring Basis for the Three Months Ended March 31, 2025 (in thousands)

Asset	December 31, 2024 Beginning Balance	Purchases	Sales	March 31, 2025 Ending Balance
Closed-end Funds	$ 21,500	$ -	$ -	$ 21,500
Other	50	105	-	155
Total	$ 21,550	$ 105	$ -	$ 21,655

Changes in Level 3 Assets and Liabilities Measured at Fair Value on a Recurring Basis for the Three Months Ended March 31, 2024 (in thousands)

Asset	December 31, 2023 Beginning Balance	Purchases	Sales	March 31, 2024 Ending Balance
Closed-end Funds	$ 7,000	$ 11,500	$ (3,000)	$ 15,500
Other	-	50	-	50
Total	$ 7,000	$ 11,550	$ (3,000)	$ 15,550

There were no transfers between any levels during the three months ended March 31, 2025 and 2024.

The Company uses a discounted cash flow analysis when determining the fair value of privately issued preferred securities of closed-end funds that are categorized as Level 3. Projected cash flows in the discounted cash flow analysis represent the relevant security's dividend rate plus the assumption of full principal repayment at the preferred security's earliest available redemption date.

The significant unobservable input used in the fair value measurement of each of the Company's investments in privately issued preferred securities of closed-end funds is the discount rate. The discount rate was determined using the interest rates of U.S. Treasury Bills that are held over a similar period as the preferred security. The discount rates used in the valuation of these investments as of March 31, 2025 ranged from 3.91% to 4.30% with a weighted average of 4.05%. The discount rates used in the valuation of these investments as of December 31, 2024 ranged from 4.16% to 4.28% with a weighted average of 4.21%. Significant changes in the discount rate could result in a significantly lower or higher fair value measurement of these Level 3 investments.

Financial assets and liabilities not carried at fair value

The following table presents the carrying value and fair value of the Company's short-term investments in U.S. Treasury Bills and investments in fixed maturity securities, including the U.K. gilts investments, which are carried at amortized cost remeasured in U.S. dollars, as of March 31, 2025 and December 31, 2024 (in thousands):

	March 31, 2025		December 31, 2024	
	Carrying Value	Fair Value Level 1	Carrying Value	Fair Value Level 1
U.S. Treasury Bills	$ 49,900	$ 49,906	$ 99,216	$ 99,270
U.K. Gilts	5,895 (1)	5,801	5,657 (1)	5,577
Total	$ 55,795	$ 55,707	$ 104,873	$ 104,847

(1) Amortized cost at March 31, 2025 and December 31, 2024 prior to remeasurement in U.S. dollars was $5,513 and $5,488, respectively.

The carrying value of other financial assets and liabilities approximates their fair value based on the short-term nature of these items.

6. Income Taxes

A reconciliation of the Federal statutory income tax rate to the effective income tax rate ("ETR") is set forth below:

	Three Months Ended March 31,	
	2025	2024
Statutory Federal income tax rate	21.0%	21.0%
State income tax, net of Federal benefit	(13.2)	(1.2)
Effective income tax rate	7.8%	19.8%

The ETR for the first quarter of 2025 consisted of the statutory Federal tax rate of 21% offset by a net state income credit rate of 13.2%, relating to the release of an uncertain tax position accrual as a result of a settlement with New York State whereby the Company paid a fee and gave up the right to a refund in exchange for the closing of the audit years 2007-2014.

7. Earnings Per Share

Basic earnings per share is calculated by dividing net income by the weighted average shares outstanding. Diluted earnings per share is calculated using the treasury stock method by dividing net income by the total weighted average shares of common stock outstanding, restricted stock awards ("RSAs"), and stock options, if impacts are dilutive. The computations of basic and diluted earnings per share were as follows (in thousands, except per share amounts):

	Three Months Ended March 31,	
	2025	2024
Basic:		
Net income	$ 18,271	$ 15,810
Weighted average shares outstanding	22,632	24,808
Basic earnings per share	$ 0.81	$ 0.64
Diluted:		
Net income	$ 18,271	$ 15,810
Weighted average shares outstanding	22,632	24,808
Dilutive impact of restricted stock awards and stock options	-	-
Total	22,632	24,808
Diluted earnings per share	$ 0.81	$ 0.64

8. Stockholders' Equity

There were 3.4 million shares of Class A Stock and 19.0 million shares of Class B Stock outstanding at March 31, 2025, and 3.9 million shares of Class A Stock and 19.0 million shares of Class B Stock outstanding at December 31, 2024.

At the Annual Meeting of Shareholders held on July 10, 2024, the following changes to the Company's authorized stock were approved: i) the Class A shareholders, voting together as a single class, approved an amendment to the Company's Amended and Restated Certificate of Incorporation ("Amended Certificate") to decrease the authorized number of shares of Class A Stock from 100,000,000 to 5,600,000; ii) the Class B shareholders, voting together as a single class, approved an amendment to the Company's Amended Certificate to decrease the authorized number of shares of Class B Stock from 25,000,000 to 20,000,000; and iii) the Class A and Class B shareholders, voting together, approved an amendment to the Company's Amended Certificate to eliminate the authorized shares of preferred stock. The Amended Certificate, effective July 19, 2024, was filed with the Delaware Division of Corporations.

Voting Rights

The holders of Class A Stock and Class B Stock have identical rights except that (i) holders of Class A Stock are entitled to one vote per share, while holders of Class B Stock are entitled to ten votes per share, on all matters to be voted on by shareholders in general, and (ii) holders of Class A Stock are not eligible to vote on matters relating exclusively to Class B Stock and vice versa.

Stock Award and Incentive Plan

The Company maintains a stock award and incentive plan (the "Plan") approved by the shareholders, which is designed to provide incentives that will attract and retain individuals key to the success of Gabelli through direct or indirect ownership of our common stock. A maximum of 7.5 million shares of Class A Stock have been reserved for issuance under the Plan by the Compensation Committee of Gabelli's Board of Directors. Benefits under the Plan may be granted in any one or a combination of stock options, stock appreciation rights, restricted stock, restricted stock units, stock awards, phantom stock awards, dividend equivalents, and other stock or cash based awards. Under the Plan, the Compensation Committee may grant RSAs, each of which entitles the grantee to one share of Class A Stock subject to restrictions, phantom RSAs, each of which entitles the grantee to the cash value of one share of Class A Stock subject to restrictions, and either incentive or nonqualified stock options, with a term not to exceed ten years from the grant date and at an exercise price that the Compensation Committee may determine, which were recommended by the Company's Executive Chairman who did not receive any awards.

On June 21, 2024, 456,650 phantom RSAs were issued at a grant date price of $24.50 per phantom RSA. Phantom RSAs have similar vesting terms to the RSAs, except that the phantom RSAs will be settled in cash based on the fair value of the shares on the vesting date. Thus, the phantom RSAs were determined to be liability awards and are adjusted for changes in the Company's stock price at each reporting date, with mark to market adjustments recognized in compensation on the Interim Condensed Consolidated Statements of Income.

As of March 31, 2025 and December 31, 2024, there were no RSAs outstanding and 10,000 stock options outstanding with an exercise price of $25.55. As of March 31, 2025 and December 31, 2024, there were 1,077,860 phantom RSAs outstanding with weighted average grant price per phantom RSA of $22.66, and a liability balance, based on the closing price of the Company's Class A Stock and cumulative dividends, of $12.2 million and $11.2 million, respectively, included within compensation payable on the Interim Condensed Consolidated Statements of Financial Condition.

On June 17, 2024, 105,540 stock-based phantom RSAs vested. For the three months ended March 31, 2025 and 2024, the Company recognized stock-based phantom RSA compensation expense of $1.0 million and $1.5 million, respectively.

The total compensation costs related to non-vested phantom RSA awards to employees ("teammates"), excluding the Executive Chairman who received none, not yet recognized was approximately $13.2 million as of March 31, 2025.

Stock Repurchase Program

In March 1999, the Board of Directors established the Stock Repurchase Program to grant management the authority to repurchase shares of Class A Stock. Since establishing the program, the Board of Directors has authorized additional share repurchases, including increases of 500,000, 500,000, and 477,877 shares on May 7, 2024, August 6, 2024, and February 4, 2025, respectively. On December 16, 2024, the Board of Directors authorized the buyback of 1,150,000 shares from Associated Capital Group, Inc. ("AC"), an affiliate. Purchases may be made from time to time, at management's discretion, in the open market or in private transactions, including the use of trading plans, as well as pursuant to accelerated share repurchase programs or other share repurchase strategies. Share repurchase amounts and prices may vary after considering a variety of factors, including the Company's financial position, earnings, other alternative uses of cash, macroeconomic issues, and market conditions.

For the three months ended March 31, 2025 and 2024, the Company repurchased 499,710 and 321,089 shares, respectively, at an average price per share of $24.27 and $19.92, respectively. At March 31, 2024, the total shares available under the Stock Repurchase Program to be repurchased in the future were 1,013,261. The Stock Repurchase Program has no expiry.

Dividends

During the three months ended March 31, 2025 and 2024, the Company declared cash dividends of $0.08 and $0.04 per share to shareholders of Class A Stock and Class B Stock totaling $1.8 million and $1.0 million, respectively.

9. Goodwill and Identifiable Intangible Assets

Goodwill is initially measured as the excess of the cost of the acquired business over the sum of the amounts assigned to assets acquired less the liabilities assumed. At March 31, 2025 and December 31, 2024, there was goodwill of $0.2 million maintained on the Interim Condensed Consolidated Statements of Financial Condition related to G.distributors.

As a result of becoming the advisor to the Gabelli Enterprise Mergers and Acquisitions Fund (the "Enterprise Fund") and the associated consideration paid, the Company maintains an identifiable intangible asset of $0.8 million at March 31, 2025 and December 31, 2024. The investment advisory agreement for the Enterprise Fund is next up for renewal in February 2026. As a result of becoming the advisor to the Bancroft Fund Ltd. (the "Bancroft Fund") and the Ellsworth Growth and Income Fund Ltd. (the "Ellsworth Fund") and the associated consideration paid, the Company maintains an identifiable intangible asset of $1.6 million at March 31, 2024 and December 31, 2025. The investment advisory agreements for the Bancroft Fund and the Ellsworth Fund are next up for renewal in August 2025. Each of these investment advisory agreements are subject to annual renewal by the respective Fund's board of directors, which the Company expects to be renewed, and the Company does not expect to incur additional expense as a result, which is consistent with other investment advisory agreements entered into by the Company.

The Company assesses the recoverability of goodwill and intangible assets at least annually each November 30, or more often should events warrant. There were no indicators of impairment for the three months ended March 31, 2025 and 2024 and, as such, there was no impairment analysis performed or charge recorded for such periods.

10. Commitments and Contingencies

From time to time, the Company may be named in legal actions and proceedings in the normal course of business. These actions may seek substantial or indeterminate compensatory, as well as punitive damages or injunctive relief. The Company is also subject to governmental or regulatory examinations or investigations. Liabilities for loss contingencies arising from claims, assessments, litigation, fines, and penalties, and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. There are currently no such matters pending that the Company believes could have a material adverse effect on its interim condensed consolidated financial condition, operations, or cash flows at March 31, 2025.

Leases

On December 5, 1997, the Company entered into a fifteen-year lease, expiring on April 30, 2013, of an approximately 60,000 square foot building located at One Corporate Center, Rye, New York (the "Building") from M4E, LLC ("M4E"), an entity controlled by members of the Chairman's family. On June 11, 2013, the Company modified and extended its lease of the Building with M4E. The lease term was extended to December 31, 2028, and the base rental remained at $18 per square foot, or $1.1 million, for 2014. For each subsequent year through December 31, 2028, the base rental is determined by the change in the consumer price index for the New York Metropolitan Area for November of the immediate prior year with the base period as November 2008 for the New York Metropolitan Area.

This lease has been accounted for as a finance lease under FASB ASC Topic 842 as it transfers substantially all the benefits and risks of ownership to the Company. The Company has recorded the leased property as an asset and a lease obligation for the present value of the obligation of the leased property. The leased property is amortized on a straight-line basis from the date of the most recent extension to the end of the lease. The lease obligation is amortized over the same term using the interest method of accounting. Finance lease improvements are amortized from the date of expenditure through the end of the lease term or the useful life, whichever is shorter, on a straight-line basis. The lease provides that all operating expenses relating to the property (such as property taxes, utilities, and maintenance) are to be paid by the lessee, Gabelli. These are recognized as expenses in the periods in which they are incurred. Accumulated amortization on the leased property at March 31, 2025 and December 31, 2024, was approximately $6.4 million and $6.3 million, respectively.

The Company also rents office space under operating leases, which expire at various dates through December 31, 2030.

The following table summarizes the Company's leases for the periods presented (in thousands, except lease term and discount rate):

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Finance lease cost - interest expense	$ 258	$ 265
Finance lease cost - amortization of right-of-use asset	12	12
Operating lease cost	110	113
Sublease income	(37)	(36)
Total lease cost	$ 343	$ 354
Other information:		
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	$ 37	$ 107
Financing cash flows from finance lease	131	108
Total cash paid for amounts included in the measurement of lease liabilities	$ 168	$ 215
Right-of-use assets obtained in exchange for new operating lease liabilities	$ -	$ 95
Weighted average remaining lease term—finance lease (years)	3.8	4.8
Weighted average remaining lease term—operating leases (years)	4.0	6.5
Weighted average discount rate—finance lease	19.1%	19.1%
Weighted average discount rate—operating leases	6.7%	6.6%

The finance lease right-of-use asset, net of amortization, at March 31, 2025 and December 31, 2024 was $0.8 million, and the operating right-of-use assets, net of amortization, were $1.8 million and $1.9 million, respectively, and these operating right-of-use assets were included within other assets in the Interim Condensed Consolidated Statements of Financial Condition.

The following table summarizes the maturities of lease liabilities at March 31, 2025 (in thousands):

Year ending December 31,	Finance Leases	Operating Leases	Total Leases
2025 (excluding the three months ended March 31, 2025)	$ 1,548	$ 530	$ 2,078
2026	1,080	589	1,669
2027	1,080	557	1,637
2028	1,080	545	1,625
2029	-	428	428
2030	-	343	343
Total lease payments	$ 4,788	$ 2,992	$ 7,780
Less imputed interest	(1,956)	(956)	(2,912)
Total lease liabilities	$ 2,832	$ 2,036	$ 4,868

The finance lease contains an escalation clause tied to the change in the New York Metropolitan Area Consumer Price Index, which may cause the future minimum payments to exceed the amounts shown above. Future minimum lease payments have not been reduced by related minimum future sublease rentals of approximately $0.8 million due over the next four years, which are due from affiliated entities.

11. Related Party Transactions

On February 5, 2025, the Company announced that its Chairman and Co-CEO, Mr. Mario J. Gabelli, elected to waive all of his portfolio and relationship compensation that he would otherwise have been entitled to for the period from March 1, 2025 to May 31, 2025. For the three months ended March 31, 2025, the waiver reduced compensation expense by $2.8 million. There was no such waiver for the three months ended March 31, 2024.

12. Regulatory Requirements

The Company's broker-dealer subsidiary, G.distributors, is subject to certain net capital requirements. G.distributors computes its net capital under the alternative method permitted under SEC Rule 15c3-1 under the Securities Exchange Act of 1934, as amended, which requires minimum net capital of the greater of $250,000 or 2% of the aggregate debit items. The minimum net capital requirement was $250,000 for the broker-dealer at March 31, 2025 and December 31, 2024. On February 25, 2025, Gabelli contributed $2.5 million to G.distributors. At March 31, 2025 and December 31, 2024, G.distributors had net capital, as defined, of approximately $3.1 million and $0.7 million, respectively, exceeding the regulatory requirement by approximately $2.8 million and $0.5 million, respectively.

13. Subsequent Events

From April 1, 2025 to May 7, 2025, the Company repurchased 19,213 shares at $20.90 per share.

On May 1, 2025, Gabelli completed the acquisition of the management contracts of 4 open-end funds and approximately 500 separately managed accounts ("SMAs") from Keeley-Teton Advisors, LLC ("Keeley"). The current Chicago-based Keeley research, portfolio management, and client service teammates have joined Gabelli and continue to manage and service these funds and SMAs.

On May 7, 2025, the Board of Directors declared its regular quarterly dividend of $0.08 per share to the Company's shareholders of Class A Stock and Class B Stock, payable on June 24, 2025 to shareholders of record on June 10, 2025.

ITEM 4: MANAGEMENT'S DISCUSSION AND ANALYSIS

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Our disclosure and analysis in this Quarterly Report (the "Quarterly Report") contains 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," "will," "should," "may," 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 may cause our actual results to differ from our expectations include risks associated with the duration and scope of the ongoing coronavirus pandemic resulting in volatile market conditions, a decline in the securities markets that adversely affect our assets under management, negative performance of our products, the failure to perform as required under our investment management agreements, and a general downturn in the economy that negatively impacts our operations. We are providing these statements as permitted by the Private Litigation Reform Act of 1995. We also direct your attention to any more specific discussions of risk contained in our annual reports, quarterly reports, current reports, and other public filings available on OTC Markets (OTCQX: GAMI). 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.

OVERVIEW

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the unaudited interim condensed consolidated financial statements and the notes thereto included in Item 3 of this Quarterly Report. This discussion contains forward-looking statements and involves numerous risks and uncertainties, including, but not limited to those described in Part C of our annual report for the year ended December 31, 2024, posted on the OTC Markets website. Our actual results could differ materially from those anticipated by such forward-looking statements due to factors discussed under "Cautionary Statement Regarding Forward-Looking Statements" above.

Gabelli (OTCQX: GAMI), established in 1977 and incorporated under the laws of Delaware, is a widely-recognized provider of investment advisory services to 24 open-end funds, 13 United States ("U.S.") closed-end funds and one United Kingdom limited investment company (collectively, "closed-end funds"), 5 actively managed exchange traded funds ("ETFs"), one société d'investissement à capital variable ("SICAV"), and approximately 1,400 institutional and private wealth management ("Institutional and PWM") investors principally in the U.S. The Company's revenues are based primarily on the levels of assets under management ("AUM") and fees associated with the various investment products.

In 1977, Gabelli launched its well-known All Cap Value equity strategy, Gabelli Value, in a separate account format and in 1986 entered the mutual fund business. Today, Gabelli offers a diverse set of client solutions across asset classes (e.g. Equities, Debt Instruments, Convertibles, non-market correlated Merger Arbitrage), regions, market capitalizations, sectors (e.g. Gold, Utilities) and investment styles (e.g. Value, Growth). Gabelli serves a broad client base, including institutions, intermediaries, offshore investors, private wealth, and direct retail investors.

The investment advisory business is conducted principally through the following subsidiaries: Gabelli Funds, LLC (open-end funds, closed-end funds, actively managed ETFs, and SICAV, collectively, the "Funds") ("Gabelli Funds") and GAMCO Asset Management Inc. (Institutional and PWM) ("GAMCO Asset"). The distribution of open-end funds and actively managed ETFs are conducted through G.distributors, LLC ("G.distributors"), the Company's broker-dealer subsidiary.

As of March 31, 2025, we had $31.2 billion of AUM and $1.2 billion of assets under administration ("AUA").

Giving Back to Society – $80 Million Since IPO

On November 7, 2024, the Board of Directors authorized the creation of a private foundation to continue our charitable giving program with an initial contribution of $5.0 million.

Since our IPO in February 1999, our firm's combined charitable donations total approximately $80 million, including $48 million through the shareholder designated charitable contribution program, and $5 million to the newly created private foundation. Since its inception in 2013, Gabelli shareholders have designated charitable gifts to approximately 350 charitable organizations.

Actively managed ETFs

We received approval in 2019 for the Gabelli ETFs Trust and may launch up to nine licensed Precidian ActiveShares actively managed ETFs. This innovative product combines the characteristics of an actively managed mutual fund with the intra-day pricing and tax benefits of an ETF, including the benefits from §852(b)(6), which allows a fund to deliver appreciated securities to redeeming shareholders without recognizing any gains and enables shareholders to defer capital gains until they sell their shares. The 5 ETFs launched thus far, all on the NYSE, include:

- LOPP, the Gabelli Love Our Planet & People ETF, which began trading on February 1, 2021, underscores our belief that an investment focus on the environment is essential to the future of the Planet.
- GGRW, the Gabelli Growth Innovators ETF, which began trading on February 16, 2021, provides an investment opportunity in businesses both enabling and benefitting from digital acceleration.
- GAST, the Gabelli Automation ETF, which began trading on January 5, 2022, focuses on companies that use automation equipment, related technology, software, or processes, and firms that use those services to automate their productivity.
- GABF, the Gabelli Financial Services Opportunity ETF, which began trading on May 10, 2022, focuses on companies in the financial services sector.
- GCAD, the Gabelli Commercial Aerospace & Defense ETF, which began trading on January 4, 2023, focuses on the aerospace and defense sectors.

Assets Under Management

AUM was $31.2 billion as of March 31, 2025 and $31.7 billion as of March 31, 2024. Equity AUM was $25.5 billion at March 31, 2025, a decrease of $1.2 billion, or 4.5%, from the March 31, 2024 equity AUM of $26.7 billion. The first quarter 2025 AUM activity consisted of $0.3 billion of market appreciation, net cash outflows of $0.7 billion, and recurring distributions, net of reinvestments, from the Funds of $0.1 billion. Average total AUM was $32.0 billion in the first quarter of 2025 versus $30.7 billion in the first quarter of 2024, an increase of 4.2%.

We earn incentive fees for assets attributable to certain preferred issues for our closed-end Funds, our GDL Fund (GDL), and the Gabelli Merger Plus+ Trust Plc (GMP). Assets with incentive-based fees decreased to $0.2 billion as of March 31, 2025 from $0.3 billion as of March 31, 2024. The majority of these assets have calendar year-end measurement periods, therefore, our incentive fees are primarily recognized in the fourth quarter when the uncertainty is removed at the end of the annual measurement period.

Roll-forward of AUM (in millions)

	Three Months Ended March 31, 2025	2024
Equities:		
Mutual Funds		
Beginning of period assets	$ 8,078	$ 7,973
Inflows	190	176
Outflows	(389)	(432)
Net inflows (outflows)	(199)	(256)
Market appreciation (depreciation)	84	523
Fund distributions, net of reinvestment	(4)	(5)
Total increase (decrease)	(119)	262
End of period assets	$ 7,959	$ 8,235
Percentage of total assets under management	25.5%	26.0%
Average assets under management	$ 8,176	$ 7,965
Closed-end Funds		
Beginning of period assets	$ 7,344	$ 7,097
Inflows	8	41
Outflows	(48)	(103)
Net inflows (outflows)	(40)	(62)
Market appreciation (depreciation)	199	404
Fund distributions, net of reinvestment	(138)	(126)
Total increase (decrease)	21	216
End of period assets	$ 7,365	$ 7,313
Percentage of total assets under management	23.6%	23.1%
Average assets under management	$ 7,505	$ 7,060
Institutional & PWM		
Beginning of period assets	$ 10,700	$ 10,738
Inflows	120	66
Outflows	(601)	(428)
Net inflows (outflows)	(481)	(362)
Market appreciation (depreciation)	(37)	770
Total increase (decrease)	(518)	408
End of period assets [(a)]	$ 10,182	$ 11,146
Percentage of total assets under management	32.7%	35.2%
Average assets under management	$ 10,772	$ 10,798
SICAV		
Beginning of period assets	$ 9	$ 631
Inflows	-	-
Outflows	-	(2)
Net inflows (outflows)	-	(2)
Market appreciation (depreciation)	-	-
Reclassification to AUA	-	(620)
Total increase (decrease)	-	(622)
End of period assets	$ 9	$ 9
Percentage of total assets under management	0.0%	0.0%
Average assets under management	$ 9	$ 10
Total Equities		
Beginning of period assets	$ 26,131	$ 26,439
Inflows	318	283
Outflows	(1,038)	(965)
Net inflows (outflows)	(720)	(682)
Market appreciation (depreciation)	246	1,697
Fund distributions, net of reinvestment	(142)	(131)
Reclassification to AUA	-	(620)
Total increase (decrease)	(616)	264
End of period assets	$ 25,515	$ 26,703
Percentage of total assets under management	81.8%	84.2%
Average assets under management	$ 26,462	$ 25,833

(a) Includes $233 million and $225 million of 100% U.S. Treasury Fund AUM at March 31, 2025 and 2024, respectively.

Roll-forward of AUM (in millions) (continued)

	Three Months Ended March 31, 2025	2024
Debt Instruments:		
100% U.S. Treasury fund		
Beginning of period assets	$ 5,552	$ 4,615
Inflows	1,372	1,605
Outflows	(1,341)	(1,315)
Net inflows (outflows)	31	290
Market appreciation (depreciation)	55	60
Total increase (decrease)	86	350
End of period assets	$ 5,638	$ 4,965
Percentage of total assets under management	18.1%	15.7%
Average assets under management	$ 5,552	$ 4,832
Institutional & PWM		
Beginning of period assets	$ 32	$ 32
Inflows	-	-
Outflows	-	-
Net inflows (outflows)	-	-
Market appreciation (depreciation)	-	-
Total increase (decrease)	-	-
End of period assets	$ 32	$ 32
Percentage of total assets under management	0.1%	0.1%
Average assets under management	$ 32	$ 32
Total Debt Instruments		
Beginning of period assets	$ 5,584	$ 4,647
Inflows	1,372	1,605
Outflows	(1,341)	(1,315)
Net inflows (outflows)	31	290
Market appreciation (depreciation)	55	60
Total increase (decrease)	86	350
End of period assets	$ 5,670	$ 4,997
Percentage of total assets under management	18.2%	15.8%
Average assets under management	$ 5,584	$ 4,864
Total AUM		
Beginning of period assets	$ 31,715	$ 31,086
Inflows	1,690	1,888
Outflows	(2,379)	(2,280)
Net inflows (outflows)	(689)	(392)
Market appreciation (depreciation)	301	1,757
Fund distributions, net of reinvestment	(142)	(131)
Reclassification to AUA	-	(620)
Total increase (decrease)	(530)	614
End of period assets	$ 31,185	$ 31,700
Average assets under management	$ 32,046	$ 30,697

Our AUM by style at March 31, 2025 (in millions) was comprised of the following:

	Funds	Institutional & PWM	SICAV	Total
Value	$ 9,036	$ 9,588	$ 4	$ 18,628
100% U.S. Treasury	5,638	-	-	5,638
Utilities	2,014	-	-	2,014
Growth	1,268	343	-	1,611
Gold and Natural Resources	1,335	97	-	1,432
Event-driven	683	164	-	847
Sector-focused	590	-	-	590
Convertibles	398	22	5	425
Total	$ 20,962	$ 10,214	$ 9	$ 31,185

Assets Under Administration

(in millions)	As of			% Change	
	March 31, 2025	December 31, 2024	March 31, 2024	December 31, 2024	March 31, 2024
Mutual Funds	$ 750	$ 809	$ 952	(7.3%)	(21.2%)
SICAV	401	408	580	(1.7%)	(30.9%)
Total assets under administration	$ 1,151	$ 1,217	$ 1,532	(5.4%)	(24.9%)

AUA was $1.2 billion as of March 31, 2025, $1.2 billion as of December 31, 2024, and $1.5 billion as of March 31, 2024. The first quarter of 2024 included the reclassification of $620 million of SICAV AUM to AUA.

RESULTS OF OPERATIONS

Investment advisory and incentive fees, which are based on the amount and composition of AUM in our Funds and Institutional and PWM accounts, and distribution fees represent our largest source of revenues. In addition to the general level and trends of the stock market, growth in revenues depends on good investment performance, which influences the value of existing AUM as well as contributes to higher investment and lower redemption rates and facilitates the ability to attract additional investors while maintaining current fee levels. Growth in AUM is also dependent on being able to access various distribution channels, which is usually based on several factors, including performance and service. A majority of our cash inflows to mutual Fund products have come through third party distribution programs, including no-transaction fee programs. We have also been engaged to act as a sub-advisor for other much larger financial services companies with much larger sales distribution organizations. These sub-advisory clients are subject to business combinations that may result in the termination of the relationship. The loss of a sub-advisory relationship could have a significant impact on our financial results in the future.

Advisory fees from the Funds and sub-advisory accounts are computed daily or weekly based on average net assets. Advisory fees from Institutional and PWM clients are generally computed quarterly based on account values as of the end of the preceding quarter. These revenues are based on AUM, which is highly correlated to the stock market and can vary in direct proportion to movements in the stock market and the level of sales compared with redemptions, financial market conditions, and the fee structure for AUM. Revenues derived from the equity-oriented portfolios generally have higher advisory fee rates than debt instruments portfolios.

We also receive incentive fees from certain Institutional and PWM clients, which are based upon meeting or exceeding a specific benchmark index or indices. These fees are recognized at the end of the stipulated contract period, which may be quarterly or annually, for the respective account. Advisory fees on assets attributable to certain of the closed-end preferred shares are earned at year-end if the total return to common shareholders of the closed-end Fund for the calendar year exceeds the dividend rate of the preferred shares. These fees are recognized at the end of the measurement period.

Distribution fees and other income primarily include distribution fee revenue earned in accordance with Rule 12b-1 of the Investment Company Act of 1940, as amended, along with sales charges and underwriting fees associated with the sale of the mutual funds plus other revenues. Distribution fees fluctuate based on the level of AUM and the amount and type of mutual funds sold directly by G.distributors or through various distribution channels.

Compensation costs include variable and fixed compensation and related expenses paid to officers, portfolio managers, sales, trading, research, and all other teammates. Variable compensation paid to sales teammates and portfolio management generally represents 40% of revenues and is the largest component of total compensation costs. Distribution costs include marketing, product distribution, and promotion costs. The management fee is incentive-based and entirely variable compensation in the amount of 10% of the aggregate pre-tax profits, which is paid to Mr. Mario J. Gabelli or his designee for acting as CEO pursuant to his 2008 Employment Agreement so long as he is an executive of Gabelli and devotes the substantial majority of his working time to the business. Other operating expenses include general and administrative operating costs.

Non-operating income includes gains from investments, net (which includes both net realized and unrealized gains and losses from securities), interest and dividend income, and interest expense. The gain from investments, net is derived from our proprietary investment portfolio consisting of various public investments.

The following table (in thousands, except per share data) and discussion of our results of operations are based upon data derived from the Interim Condensed Consolidated Statements of Income contained in our interim condensed consolidated financial statements and should be read in conjunction with those statements included in Item 3 of this Quarterly Report.

Three Months Ended March 31, 2025 Compared To Three Months Ended March 31, 2024

	Three Months Ended March 31,	
	2025	**2024**
Revenues		
Investment advisory and incentive fees	$ 53,786	$ 52,472
Distribution fees and other income	3,542	4,473
Total revenues	57,328	56,945
Expenses		
Compensation	26,616	28,554
Management fee	2,202	2,191
Distribution costs	5,138	5,950
Other operating expenses	4,779	4,902
Total expenses	38,735	41,597
Operating income	18,593	15,348
Non-operating income		
Gain / (loss) from investments, net	(110)	1,632
Interest and dividend income	1,622	3,033
Interest expense	(292)	(293)
Total non-operating income	1,220	4,372
Income before income taxes	19,813	19,720
Provision for income taxes	1,542	3,910
Net income	$ 18,271	$ 15,810
Earnings per share:		
Basic	$ 0.81	$ 0.64
Diluted	$ 0.81	$ 0.64

Overview

Net income for the first quarter of 2025 was $18.3 million, or $0.81 per fully diluted share, versus $15.8 million, or $0.64 per fully diluted share, in the first quarter of 2024. The quarter-to-quarter comparison was primarily impacted by higher revenues, lower compensation costs, and lower income taxes, partially offset by net loss from investments and lower interest and dividend income.

Revenues

Investment advisory and incentive fees for the first quarter of 2025 were $53.8 million, 2.5% higher than the 2024 comparative figure of $52.5 million. Open-end Fund revenues increased 2.5% to $20.8 million in the first quarter of 2025 from $20.3 million in the first quarter of 2024. Our closed-end Fund revenues increased 5.9% to $17.9 million in the first quarter 2025 from $16.9 million in the first quarter of 2024. Institutional and PWM account revenues, which are generally based on beginning of quarter AUM, decreased by 0.7% to $15.1 million in the first quarter of 2025 from $15.2 million in the first quarter of 2024. Revenues relating to the SICAV were $4 thousand in the first quarter of 2025 and $6 thousand for the first quarter of 2024.

Distribution fees and other income were $3.5 million for the first quarter of 2025, a decrease of $1.0 million, or 22.2%, from $4.5 million in the first quarter of 2024, primarily due to lower average AUM in equity mutual Funds that generate distribution fees.

Expenses

Compensation costs, which are largely variable, were $26.6 million in the first quarter of 2025, or 7.0% lower than prior year comparative compensation costs of $28.6 million. The quarter over quarter decrease was comprised of the CEO's waiver of his portfolio and relationship compensation of $2.8 million in the first quarter of 2025, partially offset by a $0.6 million increase in variable compensation and a $0.2 million increase in fixed compensation.

Management fee expense, which is wholly variable and based on pretax income, remained unchanged at $2.2 million in the first quarter of 2025 from the first quarter of 2024.

Distribution costs were $5.1 million in the first quarter of 2025, a decrease of $0.9 million, or 15.0%, from $6.0 million in the first quarter of 2024.

Other operating expenses were $4.8 million in the first quarter of 2025, a decrease of $0.1 million, or 2.0%, from $4.9 million in the first quarter of 2024.

Operating income for the first quarter of 2025 was $18.6 million, an increase of $3.3 million, or 21.6%, from the $15.3 million in the first quarter of 2024. Operating income, as a percentage of revenues, was 32.4% in the first quarter of 2025 as compared to 27.0% in the first quarter of 2024.

Non-operating income

Total non-operating income was $1.2 million for the first quarter of 2025 versus income of $4.4 million in the first quarter of 2024. Net investment losses were $0.1 million in the first quarter of 2025 versus net gains of $1.6 million in the first quarter of 2024. Interest and dividend income was $1.6 million and $3.0 million in the first quarter of 2025 and 2024, respectively. Interest expense was $0.3 million in the first quarter of 2025 and 2024.

The effective tax rates ("ETR") for the three months ended March 31, 2025 and 2024 were 7.8% and 19.8%, respectively. The ETR for the first quarter of 2025 consisted of the statutory Federal tax rate of 21% offset by a net state income credit rate of 13.2%, relating to the release of an uncertain tax position accrual as a result of a settlement with New York State whereby the Company paid a fee and gave up the right to a refund in exchange for the closing of the audit years 2007-2014.

Reconciliation of GAAP financial measures to non-GAAP (in thousands):

	Three Months Ended March 31,	
	2025	**2024**
Revenues, U.S. GAAP basis	$ 57,328	$ 56,945
Operating income, U.S. GAAP basis	18,593	15,348
Add back: management fee expense	2,202	2,191
Operating income before management fee	$ 20,795	$ 17,539
Operating margin	32.4%	27.0%
Operating margin before management fee	36.3%	30.8%

LIQUIDITY AND CAPITAL RESOURCES

Our principal assets are highly liquid in nature and consist of cash and cash equivalents, U.S. Treasury Bills, short-term investments, and securities held for investment purposes. Cash and cash equivalents are comprised primarily of a 100% U.S. Treasury money market fund managed by Gabelli (The Gabelli U.S. Treasury Money Market Fund).

Summary cash flow data for the first three months of 2025 and 2024 was as follows (in thousands):

	Three months ended March 31, 2025	Three months ended March 31, 2024
Cash flows provided by/(used in) activities:		
Operating activities	$ 1,701	$ 20,151
Investing activities	48,774	(8,977)
Financing activities	(14,178)	(7,507)
Net increase in cash and cash equivalents from activities	36,297	3,667
Effect of exchange rates on cash and cash equivalents	45	(1)
Net increase in cash and cash equivalents	36,342	3,666
Cash and cash equivalents, beginning of period	17,254	61,801
Cash and cash equivalents, end of period	$ 53,596	$ 65,467
Short-term investments in U.S. Treasury Bills	$ 49,900	$ 99,073
Investments in fixed maturity securities	5,895	6,648
Cash, cash equivalents, short-term investments in U.S Treasury Bills, and investments in fixed maturity securities	$ 109,391	$ 171,188

Cash and liquidity requirements have historically been met through cash generated by operating income and our borrowing capacity.

On February 5, 2025, the Company announced that its Chairman and Co-CEO, Mr. Mario J. Gabelli, elected to waive all of his portfolio and relationship compensation that he would otherwise have been entitled to for the period from March 1, 2025 to May 31, 2025. As a result of this waiver, there was $2.8 million of compensation waived by the Co-CEO for the three months ended March 31, 2025.

As of March 31, 2025, we had cash, cash equivalents, short-term investments in U.S. Treasury Bills, and investments in fixed maturity securities of $109.4 million, a decrease of $12.7 million from December 31, 2024, primarily due to the Company's operating and investing activities, partially offset by the Company's financing activities, described below. There was no debt outstanding at March 31, 2025 or December 31, 2024.

Net cash provided by operating activities was $1.7 million for the three months ended March 31, 2025, as compared to $20.2 million provided by operating activities in the prior year's comparative period. Cash flows from operating activities primarily consisted of net income adjusted for certain non-cash items and changes in assets and liabilities.

Net cash provided by investing activities in the first three months of 2025 was $48.8 million, relating to proceeds from sales and maturities of securities of $50.2 million partially offset by purchase of securities held for investments of $1.4 million, as compared to $9.0 million used in investing activities in the prior year's comparative period, relating to $63.5 million purchase of securities held for investments partially offset by $54.5 million of proceeds from sales and maturities of securities. As of March 31, 2025, we had total investments in securities at fair value of $66.0 million, an increase of $5.3 million from the prior year-end balance of $60.7 million.

Net cash used in financing activities in the first three months of 2025 was $14.2 million, including $12.3 million paid for the purchase of treasury stock, $1.8 million paid in dividends, and $0.1 million paid on the principal portion of lease liabilities, as compared to $7.5 million used in the prior year's comparative period, including $6.4 million paid for the purchase of treasury stock, $1.0 million paid in dividends, and $0.1 million paid on the principal portion of lease liabilities.

The Company's principal contractual commitments include payments of lease obligations. Under the terms of the lease of our Rye, New York office, we are obligated to make minimum total payments of $4.8 million through December 2028. We are obligated to make future payments under various contracts such as finance and operating lease agreements of $7.8 million. We also had a net liability for unrecognized tax benefits related to uncertain tax positions of $11.6 million, including penalties and interest related to tax uncertainties in income taxes of approximately $6.3 million, some or all of which could result in future cash payments to various taxing authorities. At this time, we are unable to estimate the timing and amount of any future cash outflows related to these uncertain tax positions. As such amounts above, both individually and in the aggregate, can be satisfied with cash on hand and investments, we do not believe they represent a material liquidity risk to the company. We do not invest in any other off-balance sheet vehicles that provide financing, liquidity, market, or credit risk support or engage in any leasing activities that expose us to any liability that is not reflected on the interim condensed consolidated financial statements.

We have one broker-dealer subsidiary, G.distributors, which is subject to certain net capital requirements. G.distributors computes its net capital under the alternative method permitted under SEC Rule 15c3-1 under the Securities Exchange Act of 1934, as amended, which requires minimum net capital of the greater of $250,000 or 2% of the aggregate debit items. The minimum net capital requirement was $250,000 for the broker-dealer at March 31, 2025 and December 31, 2024. On February 25, 2025, Gabelli contributed $2.5 million to G.distributors. At March 31, 2024 and December 31, 2024, G.distributors had net capital, as defined, of approximately $3.1 and $0.7 million, respectively, exceeding the regulatory requirement by approximately $2.8 million and $0.5 million, respectively.

Significant Accounting Policies and Estimates

The preparation of the interim condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the dates of the interim condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods presented. Actual results could differ significantly from those estimates. See Note 1 in Part D, *Management Structure and Financial Information*, in Gabelli 's Annual Report for the year ended December 31, 2024, for details on Significant Accounting Policies.

ITEM 5. LEGAL PROCEEDINGS

The information required with respect to this item can be found in Note 10, *Commitments and Contingencies* of the notes to the Company's unaudited interim condensed consolidated financial statements contained in this Quarterly Report, and such information is incorporated by reference into this Item 5.

ITEM 6. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 7. OTHER INFORMATION

Not applicable.

ITEM 8. EXHIBITS

No exhibits.

Purchases of equity securities by the issuer and affiliated purchasers were included in Item 2 of this Quarterly Report.

ITEM 9. CERTIFICATIONS

Certification by the co-principal executive officers

We, Mario J. Gabelli and Douglas R. Jamieson, certify that:

1. We have reviewed this Quarterly Report of GAMCO Investors, Inc.;

2. Based on our knowledge, this Quarterly Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Quarterly Report; and

3. Based on our knowledge, the financial statements, and other financial information included or incorporated by reference in this Quarterly Report, fairly present in all material respects the financial condition, results of operations, and cash flows of the issuer as of, and for, the periods presented in this Quarterly Report.

Date: May 7, 2025

/s/ Mario J. Gabelli
Name: Mario J. Gabelli
Title: Co-Chief Executive Officer (Co-Principal Executive Officer)

/s/ Douglas R. Jamieson
Name: Douglas R. Jamieson
Title: Co-Chief Executive Officer (Co-Principal Executive Officer)

Certification by the principal financial officer

I, Kieran Caterina, certify that:

1. I have reviewed this Quarterly Report of GAMCO Investors, Inc.;

2. Based on my knowledge, this Quarterly Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Quarterly Report; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this Quarterly Report, fairly present in all material respects the financial condition, results of operations, and cash flows of the issuer as of, and for, the periods presented in this Quarterly Report.

Date: May 7, 2025

/s/ Kieran Caterina
Name: Kieran Caterina
Title: Chief Accounting Officer (Principal Financial Officer)