

The Gabelli Equity Income Fund

Semiannual Report — March 31, 2021

To Our Shareholders,

For the six months ended March 31, 2021, the net asset value (NAV) total return per Class AAA Share of The Gabelli Equity Income Fund was 24.7% compared with a total return of 19.1% for the Standard & Poor's (S&P) 500 Index. Other classes of shares are available. See below for performance information for all classes.

Enclosed are the financial statements, including the schedule of investments, as of March 31, 2021.

Comparative Result

Average Annual Returns through March 31, 2021 (a)(b) (Unaudited)

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

	Six Months	1 Year	5 Year	10 Year	Since Inception (01/02/92)
Class AAA (GABEX)	24.72%	56.77%	9.82%	8.85%	9.81%
S&P 500 Index (c)	19.07	56.35	16.29	13.91	10.21
Lipper Equity Income Fund Average (c)	22.54	47.83	11.75	10.53	8.75
Class A (GCAEX) (d)	24.71	56.84	9.82	8.85	9.81
With sales charge (e)	17.54	47.82	8.53	8.21	9.59
Class C (GCCX) (d)	24.09	55.68	8.98	8.04	9.33
With contingent deferred sales charge (f)	23.09	54.68	8.98	8.04	9.33
Class I (GCIEX) (d)	24.95	57.25	10.10	9.13	9.94

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

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

(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 C Shares on December 31, 2003, and Class I Shares on January 11, 2008. The actual performance of the Class A Shares, and Class C 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 28, 2021, the expense ratios for Class AAA, A, C, and I Shares are 1.48%, 1.48%, 2.23%, and 1.23%, respectively. See page 10 for the expense ratios for the six months ended March 31, 2021. Class AAA and Class I Shares do not have a sales charge. The maximum sales charge for Class A Shares, and Class C Shares is 5.75%, and 1.00%, respectively.

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.

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 for performance information as of the most recent month end.

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), 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.

The Gabelli Equity Income Fund

Disclosure of Fund Expenses (Unaudited)

For the Six Month Period from October 1, 2020 through March 31, 2021

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 10/01/20	Ending Account Value 03/31/21	Annualized Expense Ratio	Expenses Paid During Period*
<i>The Gabelli Equity Income Fund</i>				
Actual Fund Return				
Class AAA	\$1,000.00	\$1,247.20	1.43%	\$ 8.01
Class A	\$1,000.00	\$1,247.10	1.43%	\$ 8.01
Class C	\$1,000.00	\$1,240.90	2.18%	\$12.18
Class I	\$1,000.00	\$1,249.50	1.18%	\$ 6.62
Hypothetical 5% Return				
Class AAA	\$1,000.00	\$1,017.80	1.43%	\$ 7.19
Class A	\$1,000.00	\$1,017.80	1.43%	\$ 7.19
Class C	\$1,000.00	\$1,014.06	2.18%	\$10.95
Class I	\$1,000.00	\$1,019.05	1.18%	\$ 5.94

* 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 (182 days), then divided by 365.

Summary of Portfolio Holdings (Unaudited)

The following table presents portfolio holdings as a percent of net assets as of March 31, 2021:

The Gabelli Equity Income Fund

Food and Beverage	16.4%	Cable and Satellite	0.9%
Financial Services	15.8%	Real Estate	0.7%
Consumer Products	7.0%	Agriculture	0.6%
Diversified Industrial	5.8%	Aerospace	0.6%
Retail	4.7%	Energy and Utilities: Services	0.5%
Health Care	4.5%	Energy and Utilities: Integrated	0.5%
Telecommunications	4.5%	Energy and Utilities: Electric	0.5%
Equipment and Supplies	4.4%	Communications Equipment	0.3%
Business Services	4.1%	Broadcasting	0.3%
Automotive: Parts and Accessories	4.0%	Environmental Services	0.2%
Machinery	4.0%	Energy and Utilities: Water	0.2%
Entertainment	2.5%	Hotels and Gaming	0.2%
Electronics	2.2%	Automotive	0.2%
Energy and Utilities: Oil	2.1%	Consumer Services	0.1%
Building and Construction	2.1%	Paper and Forest Products	0.1%
Metals and Mining	2.1%	Wireless Communications	0.0%*
Computer Software and Services	1.9%	Publishing	0.0%*
Energy and Utilities: Natural Gas	1.7%	Other Assets and Liabilities (Net)	0.0%*
Transportation	1.6%		<u>100.0%</u>
Computer Hardware	1.6%		
Specialty Chemicals	1.1%		

* 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 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 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.

The Gabelli Equity Income Fund

Schedule of Investments — March 31, 2021 (Unaudited)

Shares		Cost	Market Value	Shares		Cost	Market Value
COMMON STOCKS — 100.0%							
Aerospace — 0.6%							
2,000	Lockheed Martin Corp.....	\$ 47,350	\$ 739,000	25,000	International Business Machines Corp.	\$ 2,042,464	\$ 3,331,500
9,500	Rockwell Automation Inc.	285,402	2,521,680			2,921,348	9,194,700
		332,752	3,260,680	Computer Software and Services — 1.9%			
Agriculture — 0.6%				95,000	Hewlett Packard Enterprise Co..	543,304	1,495,300
59,000	Archer-Daniels-Midland Co.	1,519,516	3,363,000	42,000	Microsoft Corp.	1,173,480	9,902,340
12,000	The Mosaic Co.	186,246	379,320			1,716,784	11,397,640
		1,705,762	3,742,320	Consumer Products — 7.0%			
Automotive — 0.2%				11,000	Altria Group Inc.	92,672	562,760
10,000	PACCAR Inc.	386,268	929,200	6,000	Edgewell Personal Care Co.	182,805	237,600
Automotive: Parts and Accessories — 4.0%				53,000	Energizer Holdings Inc.	1,441,783	2,515,380
76,000	Dana Inc.	1,193,901	1,849,080	30,000	Essity AB, Cl. A	529,907	948,079
191,500	Genuine Parts Co.(a)	8,484,339	22,135,485	1,000	National Presto Industries Inc. .	30,628	102,070
		9,678,240	23,984,565	34,500	Reckitt Benckiser Group plc	1,023,563	3,090,559
Broadcasting — 0.3%				405,000	Swedish Match AB	5,061,232	31,617,402
40,000	Liberty Global plc, Cl. A†	894,029	1,026,400	42,000	Unilever plc, ADR	838,099	2,344,860
10,000	Liberty Global plc, Cl. C†	216,949	255,400			9,200,689	41,418,710
34,500	MSG Networks Inc., Cl. A†	128,602	518,880	Consumer Services — 0.1%			
		1,239,580	1,800,680	1,600	Allegion plc.	19,252	200,992
Building and Construction — 2.1%				16,000	Rollins Inc.	15,908	550,720
30,000	Carrier Global Corp.	254,819	1,266,600			35,160	751,712
49,000	Fortune Brands Home & Security Inc.	492,256	4,695,180	Diversified Industrial — 5.8%			
35,500	Herc Holdings Inc.†	1,112,593	3,597,215	78,000	Crane Co.	2,384,873	7,324,980
50,000	Johnson Controls International plc.	879,939	2,983,500	36,000	Eaton Corp. plc	1,330,537	4,978,080
		2,739,607	12,542,495	1,700	Honeywell International Inc.	36,448	369,019
Business Services — 4.1%				8,824	Ingersoll Rand Inc.†	46,675	434,229
14,000	Automatic Data Processing Inc.	633,248	2,638,580	48,000	ITT Inc.	961,318	4,363,680
34,000	Mastercard Inc., Cl. A	559,361	12,105,700	31,000	Jardine Matheson Holdings Ltd.	1,528,820	2,027,090
2,400	MSC Industrial Direct Co. Inc., Cl. A	165,490	216,456	150,000	Jardine Strategic Holdings Ltd..	3,461,391	4,953,000
32,000	Pentair plc.	622,795	1,994,240	22,000	nVent Electric plc	230,823	614,020
21,000	S&P Global Inc.	895,452	7,410,270	109,000	Textron Inc.	848,582	6,112,720
		2,876,346	24,365,246	154,000	Toray Industries Inc.	1,030,505	990,969
Cable and Satellite — 0.9%				9,500	Trane Technologies plc	155,306	1,572,820
134,000	DISH Network Corp., Cl. A†	2,404,558	4,850,800	23,000	Trinity Industries Inc.	302,107	655,270
16,000	EchoStar Corp., Cl. A†	389,202	384,000			12,317,385	34,395,877
		2,793,760	5,234,800	Electronics — 2.2%			
Communications Equipment — 0.3%				15,000	Sony Group Corp.	403,011	1,570,783
42,000	Corning Inc.	481,575	1,827,420	32,000	Sony Group Corp., ADR	724,495	3,392,320
Computer Hardware — 1.6%				50,000	TE Connectivity Ltd.	1,653,991	6,455,500
48,000	Apple Inc.	878,884	5,863,200	10,000	Texas Instruments Inc.	147,000	1,889,900
						2,928,497	13,308,503
				Energy and Utilities: Electric — 0.5%			
				7,500	Avangrid Inc.	210,171	373,575
				22,000	Korea Electric Power Corp., ADR†	262,972	225,720
				8,000	Portland General Electric Co.	334,816	379,760

See accompanying notes to financial statements.

The Gabelli Equity Income Fund

Schedule of Investments (Continued) — March 31, 2021 (Unaudited)

Shares		Cost	Market Value	Shares		Cost	Market Value
COMMON STOCKS (Continued)				Equipment and Supplies — 4.4%			
Energy and Utilities: Electric (Continued)							
63,000	The AES Corp.....	\$ 291,918	\$ 1,689,030	8,500	A.O. Smith Corp.....	\$ 22,649	\$ 574,685
		<u>1,099,877</u>	<u>2,668,085</u>	14,000	Danaher Corp.	406,841	3,151,120
Energy and Utilities: Integrated — 0.5%				160,000	Flowserve Corp.	1,998,089	6,209,600
50,000	Energy Transfer LP.....	66,924	384,000	52,000	Graco Inc.	884,335	3,724,240
21,000	Eni SpA.....	220,487	258,432	18,500	Minerals Technologies Inc.....	703,572	1,393,420
6,500	Iberdrola SA, ADR	98,020	336,102	155,000	Mueller Industries Inc.....	2,929,910	6,409,250
58,000	OGE Energy Corp.....	773,496	1,876,880	15,200	Parker-Hannifin Corp.....	814,541	4,794,536
		<u>1,158,927</u>	<u>2,855,414</u>			<u>7,759,937</u>	<u>26,256,851</u>
Energy and Utilities: Natural Gas — 1.7%				Financial Services — 15.8%			
108,000	National Fuel Gas Co.	4,793,408	5,398,920	2,700	Alleghany Corp.†	399,634	1,690,983
11,500	ONE Gas Inc.	48,202	884,465	20,000	AllianceBernstein Holding LP ...	98,414	799,800
60,500	ONEOK Inc.....	30,168	3,064,930	29,000	American Express Co.(a)	435,290	4,101,760
7,500	Southwest Gas Holdings Inc....	153,948	515,325	20,500	Ameris Bancorp.	217,542	1,076,455
		<u>5,025,726</u>	<u>9,863,640</u>	6,000	Argo Group International		
Energy and Utilities: Oil — 2.1%					Holdings Ltd.....	110,474	301,920
50,000	Chevron Corp.	1,865,111	5,239,500	5,195	Banco Santander Chile, ADR ...	29,250	128,992
7,000	ConocoPhillips	128,274	370,790	145,000	Bank of America Corp.	938,097	5,610,050
7,747	Devon Energy Corp.....	78,701	169,272	12,500	BNP Paribas SA†	534,851	760,496
12,000	Exxon Mobil Corp.	312,521	669,960	42,000	Interactive Brokers Group Inc.,		
61,500	Hess Corp.	2,961,809	4,351,740		Cl. A	625,837	3,067,680
18,000	Marathon Petroleum Corp.	234,717	962,820	15,000	Jefferies Financial Group Inc....	263,160	451,500
6,000	Royal Dutch Shell plc, Cl. A,			13,200	JPMorgan Chase & Co.	256,154	2,009,436
	ADR	242,018	235,260	56,000	Julius Baer Group Ltd.	1,816,954	3,581,061
15,000	TOTAL SE, ADR.....	252,772	698,100	23,000	Kinnevik AB, Cl. A	550,008	1,190,366
		<u>6,075,923</u>	<u>12,697,442</u>	75,000	Loews Corp.....	2,830,762	3,846,000
Energy and Utilities: Services — 0.5%				15,200	M&T Bank Corp.	1,300,083	2,304,472
130,000	Halliburton Co.	2,925,492	2,789,800	22,000	Marsh & McLennan Cos. Inc. ..	616,355	2,679,600
8,000	Schlumberger NV	161,590	217,520	12,000	Morgan Stanley	549,368	931,920
		<u>3,087,082</u>	<u>3,007,320</u>	8,500	Popular Inc.	148,460	597,720
Energy and Utilities: Water — 0.2%				70,000	SLM Corp.....	342,586	1,257,900
5,000	Essential Utilities Inc.	36,851	223,750	125,000	State Street Corp.....	5,702,036	10,501,250
25,000	Severn Trent plc	637,468	794,763	265,000	Sterling Bancorp.	2,828,809	6,100,300
		<u>674,319</u>	<u>1,018,513</u>	6,400	T. Rowe Price Group Inc.....	127,634	1,098,240
Entertainment — 2.5%				307,000	The Bank of New York Mellon		
28,000	Grupo Televisa SAB, ADR†	249,704	248,080		Corp.(a).....	7,744,038	14,518,030
1,000	Madison Square Garden			17,700	The Goldman Sachs Group		
	Entertainment Corp.†	16,681	81,800		Inc.	2,159,241	5,787,900
1,000	Madison Square Garden Sports			78,000	The PNC Financial Services		
	Corp.†	39,524	179,460		Group Inc.(a).....	4,096,535	13,681,980
304,000	ViacomCBS Inc., Cl. A.....	7,563,088	14,339,680	53,000	Valley National Bancorp.	331,250	728,220
		<u>7,868,997</u>	<u>14,849,020</u>	120,000	Wells Fargo & Co.	3,393,460	4,688,400
Environmental Services — 0.2%						<u>38,446,282</u>	<u>93,492,431</u>
10,500	Republic Services Inc.	386,010	1,043,175	Food and Beverage — 16.4%			
2,500	Waste Management Inc.	72,276	322,550	1,000	Anheuser-Busch InBev SA/NV ..	15,876	63,033
		<u>458,286</u>	<u>1,365,725</u>	227,500	Brown-Forman Corp., Cl. A.	3,878,105	14,484,925
				34,000	Campbell Soup Co.	1,061,533	1,709,180
				72,000	Coca-Cola Amatil Ltd., ADR	230,481	742,320
				19,000	Coca-Cola European Partners		
					plc.....	427,500	991,040

See accompanying notes to financial statements.

The Gabelli Equity Income Fund

Schedule of Investments (Continued) — March 31, 2021 (Unaudited)

Shares	Cost	Market Value	Shares	Cost	Market Value
COMMON STOCKS (Continued)					
Food and Beverage (Continued)					
10,000	Coca-Cola Femsa SAB de CV, ADR		1,500	Wynn Resorts Ltd.†	\$ 71,983 \$ 188,055
					<u>325,342</u> <u>985,845</u>
6,000	Constellation Brands Inc., Cl. A	\$ 340,563 \$ 462,000	6,000	Machinery — 4.0%	
45,000	Danone SA	74,420 1,368,000	54,000	Caterpillar Inc.	35,181 1,391,220
75,000	Davide Campari-Milano NV	1,889,188 3,087,133	10,000	Deere & Co.	1,855,977 20,203,560
49,500	Diageo plc, ADR	252,028 840,122	11,000	Otis Worldwide Corp.	369,540 684,500
86,000	Fomento Economico Mexicano SAB de CV, ADR	3,063,927 8,128,395		Xylem Inc.	<u>335,144</u> <u>1,156,980</u>
					<u>2,595,842</u> <u>23,436,260</u>
1,000	General Mills Inc.	2,055,532 6,478,380		Metals and Mining — 2.1%	
1,880,000	Grupo Bimbo SAB de CV, Cl. A	26,640 61,320	117,000	Freeport-McMoRan Inc.†	1,337,301 3,852,810
93,000	Heineken NV	1,505,754 3,945,889	140,000	Newmont Corp.	<u>3,329,662</u> <u>8,437,800</u>
138,500	ITO EN Ltd.	4,417,436 9,555,934			<u>4,666,963</u> <u>12,290,610</u>
21,500	Kellogg Co.	2,503,543 8,493,249		Paper and Forest Products — 0.1%	
4,000	McCormick & Co. Inc., Cl. V.	1,125,039 1,360,950	23,000	Svenska Cellulosa AB SCA, Cl. A†	94,735 409,781
31,500	McCormick & Co. Inc., Non-Voting.	137,120 356,480		Publishing — 0.0%	
37,000	Mondelēz International Inc., Cl. A	680,896 2,808,540	3,000	Value Line Inc.	41,976 84,570
34,000	Nestlé SA	666,521 2,165,610		Real Estate Investment Trusts — 0.7%	
56,000	Nissin Foods Holdings Co. Ltd.	696,743 3,789,409	9,285	Indus Realty Trust Inc.	237,685 558,586
35,000	PepsiCo Inc.	1,726,649 4,152,269	100,000	Weyerhaeuser Co.	<u>1,566,956</u> <u>3,560,000</u>
26,000	Pernod Ricard SA	2,349,455 4,950,750			<u>1,804,641</u> <u>4,118,586</u>
38,500	Remy Cointreau SA	2,544,089 4,879,956		Retail — 4.7%	
32,000	Sapporo Holdings Ltd.	2,106,466 7,110,960	14,000	Cie Financiere Richemont SA, Cl. A	470,500 1,344,083
10,000	The Coca-Cola Co.	710,589 662,687	30,000	Copart Inc.†	264,751 3,258,300
1,000	The Hershey Co.	208,400 527,100	11,000	Costco Wholesale Corp.	514,650 3,877,280
50,000	The Kraft Heinz Co.	36,300 158,160	92,000	CVS Health Corp.	3,063,886 6,921,160
32,000	Yakult Honsha Co. Ltd.	1,403,471 2,000,000	68,000	Ingles Markets Inc., Cl. A	1,067,481 4,192,200
		<u>799,840</u> <u>1,618,424</u>	76,000	Seven & i Holdings Co. Ltd.	2,269,992 3,063,337
		<u>36,934,104</u> <u>96,952,215</u>	5,800	The Home Depot Inc.	160,264 1,770,450
	Health Care — 4.5%		58,000	Walgreens Boots Alliance Inc. ...	1,738,806 3,184,200
5,500	Abbott Laboratories	126,068 659,120	1,000	Walmart Inc.	43,340 135,830
3,000	AbbVie Inc.	74,560 324,660	4,500	Weis Markets Inc.	<u>135,216</u> <u>254,340</u>
4,000	Alcon Inc.†	133,378 280,720			<u>9,728,886</u> <u>28,001,180</u>
75,000	Baxter International Inc.	1,657,103 6,325,500		Specialty Chemicals — 1.1%	
4,400	Bio-Rad Laboratories Inc., Cl. A†	432,651 2,513,148	3,500	Albemarle Corp.	34,885 511,385
94,000	Bristol-Myers Squibb Co.	2,264,836 5,934,220	2,500	Ashland Global Holdings Inc.	58,813 221,925
70,000	Demant A/St	677,525 2,965,199	66,000	Ferro Corp.†	116,767 1,112,760
8,000	GlaxoSmithKline plc, ADR	327,365 285,520	8,000	FMC Corp.	161,197 884,880
32,000	Henry Schein Inc.†	324,916 2,215,680	46,000	H.B. Fuller Co.	950,216 2,893,860
16,000	Merck & Co. Inc.	296,127 1,233,440	2,000	NewMarket Corp.	7,719 760,320
15,000	Novartis AG, ADR	731,566 1,282,200	600	Quaker Chemical Corp.	<u>6,478</u> <u>146,262</u>
20,000	Pfizer Inc.	320,152 724,600			<u>1,336,075</u> <u>6,531,392</u>
45,000	Roche Holding AG, ADR	826,666 1,825,200		Telecommunications — 4.5%	
2,400	Zimmer Biomet Holdings Inc. ...	162,539 384,192	112,000	BCE Inc.	2,139,395 5,055,680
		<u>8,355,452</u> <u>26,953,399</u>	190,000	Deutsche Telekom AG, ADR	2,540,248 3,845,600
21,000	Hotels and Gaming — 0.2%				
	MGM Resorts International.	253,359 797,790			

See accompanying notes to financial statements.

The Gabelli Equity Income Fund
Schedule of Investments (Continued) — March 31, 2021 (Unaudited)

<u>Shares</u>		<u>Cost</u>	<u>Market Value</u>	<u>Shares</u>		<u>Cost</u>	<u>Market Value</u>
COMMON STOCKS (Continued)				WARRANTS — 0.0%			
Telecommunications (Continued)				Energy and Utilities: Oil — 0.0%			
15,500	Loral Space & Communications Inc.	\$ 427,407	\$ 583,885	1,250	Occidental Petroleum Corp., expire 08/03/27†	\$ 6,187	\$ 14,887
12,000	Orange SA, ADR	138,547	147,960		Retail — 0.0%		
12,000	Proximus SA	296,509	261,184	28,000	Cie Financiere Richemont SA, expire 11/22/23†	0	10,665
40,000	Telefonica SA, ADR	152,795	181,200		TOTAL WARRANTS	6,187	25,552
135,000	Telephone and Data Systems Inc.	3,611,457	3,099,600		TOTAL INVESTMENTS — 100.0% ..	\$ 209,413,740	592,396,954
94,000	TELUS Corp.	713,431	1,873,420		Other Assets and Liabilities (Net) — 0.0%		107,061
198,000	Verizon Communications Inc. (a)	6,963,713	11,513,700		NET ASSETS — 100.0%	\$ 592,504,015	
		<u>16,983,502</u>	<u>26,562,229</u>				
Transportation — 1.6%							
103,000	GATX Corp.	<u>3,216,710</u>	<u>9,552,220</u>				
Wireless Communications — 0.0%							
80,000	BT Group plc, Cl. A†	222,654	170,726				
20,000	Turkcell Iletisim Hizmetleri A/S, ADR	<u>91,562</u>	<u>93,400</u>				
		<u>314,216</u>	<u>264,126</u>				
	TOTAL COMMON STOCKS	<u>209,407,553</u>	<u>592,371,402</u>				

(a) Securities, or a portion thereof, with a value of \$32,926,900 were deposited with Pershing LLC.

† 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, 2021 (Unaudited)

Assets:	
Investments, at value (cost \$209,413,740)	\$592,396,954
Foreign currency, at value (cost \$11,363)	11,243
Cash	12,848
Deposit at brokers	586,943
Receivable for investments sold	1,099,553
Receivable for Fund shares sold	745,017
Dividends receivable	1,444,168
Prepaid expenses	40,994
Total Assets	<u>596,337,720</u>
Liabilities:	
Line of credit payable	2,155,000
Payable for Fund shares redeemed	747,704
Payable for investment advisory fees	508,143
Payable for distribution fees	132,367
Payable for accounting fees	7,500
Other accrued expenses	282,991
Total Liabilities	<u>3,833,705</u>
Net Assets	
(applicable to 52,581,879 shares outstanding)	<u>\$592,504,015</u>
Net Assets Consist of:	
Paid-in capital	\$192,897,296
Total distributable earnings	399,606,719
Net Assets	<u>\$592,504,015</u>
Shares of Capital Stock, each at \$0.001 par value:	
Class AAA:	
Net Asset Value, offering, and redemption price per share (\$303,939,374 ÷ 25,622,336 shares outstanding; 150,000,000 shares authorized)	<u>\$11.86</u>
Class A:	
Net Asset Value and redemption price per share (\$92,322,630 ÷ 7,884,872 shares outstanding; 50,000,000 shares authorized)	<u>\$11.71</u>
Maximum offering price per share (NAV ÷ 0.9425, based on maximum sales charge of 5.75% of the offering price)	<u>\$12.42</u>
Class C:	
Net Asset Value and offering price per share (\$55,483,799 ÷ 8,464,930 shares outstanding; 50,000,000 shares authorized)	<u>\$ 6.55(a)</u>
Class I:	
Net Asset Value, offering, and redemption price per share (\$140,758,212 ÷ 10,609,741 shares outstanding; 50,000,000 shares authorized)	<u>\$13.27</u>

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

Statement of Operations For the Six Months Ended March 31, 2021 (Unaudited)

Investment Income:	
Dividends (net of foreign withholding taxes of \$100,580)	\$ 5,124,847
Interest	703
Total Investment Income	<u>5,125,550</u>
Expenses:	
Investment advisory fees	2,811,769
Distribution fees - Class AAA	364,028
Distribution fees - Class A	101,659
Distribution fees - Class C	275,228
Shareholder services fees	220,534
Shareholder communication expenses	76,666
Custodian fees	59,604
Registration expenses	32,320
Legal and audit fees	29,432
Accounting fees	22,500
Directors' fees	22,267
Interest expense	17,389
Miscellaneous expenses	28,040
Total Expenses	<u>4,061,436</u>
Less:	
Expenses paid indirectly by broker (See Note 6)	(2,554)
Net Expenses	<u>4,058,882</u>
Net Investment Income	<u>1,066,668</u>
Net Realized and Unrealized Gain/(Loss) on Investments, Securities Sold Short, and Foreign Currency:	
Net realized gain on investments	51,181,777
Net realized gain on securities sold short	291,686
Net realized gain on foreign currency transactions	1,486
Net realized gain on investments and foreign currency transactions	<u>51,474,949</u>
Net change in unrealized appreciation/depreciation: on investments	70,940,338
on foreign currency translations	(6,871)
Net change in unrealized appreciation/depreciation on investments and foreign currency translations	<u>70,933,467</u>
Net Realized and Unrealized Gain/(Loss) on Investments, Securities Sold Short, and Foreign Currency	<u>122,408,416</u>
Net Increase in Net Assets Resulting from Operations	<u>\$123,475,084</u>

See accompanying notes to financial statements.

The Gabelli Equity Income Fund

Statement of Changes in Net Assets

	Six Months Ended March 31, 2021 (Unaudited)	Year Ended September 30, 2020
Operations:		
Net investment income	\$ 1,066,668	\$ 4,517,675
Net realized gain on investments, securities sold short, and foreign currency transactions	51,474,949	137,694,507
Net change in unrealized appreciation/depreciation on investments and foreign currency translations	70,933,467	(141,908,799)
Net Increase in Net Assets Resulting from Operations	123,475,084	303,383
Distributions to Shareholders:		
Accumulated earnings		
Class AAA	(15,668,716)*	(60,530,136)
Class A	(4,482,168)*	(14,287,953)
Class C	(5,211,622)*	(19,964,287)
Class I	(6,500,189)*	(29,113,541)
	<u>(31,862,695)</u>	<u>(123,895,917)</u>
Return of capital		
Class AAA	—	(22,602,669)
Class A	—	(6,706,415)
Class C	—	(6,207,826)
Class I	—	(8,566,767)
	<u>—</u>	<u>(44,083,677)</u>
Total Distributions to Shareholders	(31,862,695)	(167,979,594)
Capital Share Transactions:		
Class AAA	(17,572,667)	(21,606,608)
Class A	10,058,102	16,928,786
Class C	(4,814,879)	(20,000,786)
Class I	(13,468,297)	(40,684,434)
Net Decrease in Net Assets from Capital Share Transactions	(25,797,741)	(65,363,042)
Redemption Fees	103	1,452
Net Increase/(Decrease) in Net Assets	65,814,751	(233,037,801)
Net Assets:		
Beginning of year	526,689,264	759,727,065
End of period	<u>\$592,504,015</u>	<u>\$ 526,689,264</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:

Income (Loss) from Investment Operations				Distributions				Ratios to Average Net Assets/ Supplemental Data								
Year Ended September 30	Net Asset Value, Beginning of Year	Net Realized and Unrealized			Total from Investment Operations	Net Investment Income	Net Realized Gain on Investments	Return on Capital	Total Distributions	Redemption Fees (b)(i)	Net Asset Value, End of Period	Total Return †	Net Assets End of Period (in 000's)	Net Investment Income (Loss)	Operating Expenses (d)(i)	Portfolio Turnover Rate
		Net Investment Income (Loss)(a)	Unrealized Gain/(Loss) on Investments	Total from Investment Operations												
Class AAA																
2021(e)	\$10.04	\$ 0.02	\$ 2.40	\$ 2.42	\$ (0.50) *	\$ (0.10) *	—	\$ (1.15)	\$ (0.60)	\$ 0.00	\$11.86	24.72%	\$303,939	0.39%(f)	1.43%(f)	1%
2020	13.61	0.10(g)	(0.02)	0.08	(0.11)	(2.39)	—	(1.36)	(3.65)	0.00	10.04	0.93	272,980	0.75(g)	1.45	0(h)
2019	19.09	0.13	(0.38)	(0.25)	(0.15)	(3.72)	(1.36)	(5.23)	(5.23)	0.00	13.61	(1.09)	377,589	0.76	1.45	1
2018	22.84	0.19	1.34	1.53	(0.20)	(3.68)	(1.40)	(5.28)	(5.28)	0.00	19.09	6.77	521,485	0.82	1.40	0(h)
2017	24.06	0.24	2.97	3.21	(0.25)	(3.33)	(0.85)	(4.43)	(4.43)	0.00	22.84	13.91	662,696	0.97	1.39	1
2016	25.08	0.26	2.72	2.98	(0.26)	(2.35)	(1.39)	(4.00)	(4.00)	0.00	24.06	11.31	833,154	0.99	1.39	1
Class A																
2021(e)	\$ 9.92	\$ 0.02	\$ 2.37	\$ 2.39	\$ (0.50) *	\$ (0.10) *	—	\$ (1.15)	\$ (0.60)	\$ 0.00	\$11.71	24.71%	\$ 92,323	0.39%(f)	1.43%(f)	1%
2020	13.49	0.10(g)	(0.02)	0.08	(0.11)	(2.39)	—	(1.36)	(3.65)	0.00	9.92	0.95	69,201	0.75(g)	1.45	0(h)
2019	18.97	0.13	(0.38)	(0.25)	(0.15)	(3.72)	(1.36)	(5.23)	(5.23)	0.00	13.49	(1.08)	72,778	0.76	1.45	1
2018	22.73	0.19	1.33	1.52	(0.20)	(3.68)	(1.40)	(5.28)	(5.28)	0.00	18.97	6.76	86,332	0.82	1.40	0(h)
2017	23.96	0.24	2.96	3.20	(0.25)	(3.33)	(0.85)	(4.43)	(4.43)	0.00	22.73	13.92	115,702	0.96	1.39	1
2016	24.99	0.26	2.71	2.97	(0.26)	(2.35)	(1.39)	(4.00)	(4.00)	0.00	23.96	11.31	160,593	0.99	1.39	1
Class C																
2021(e)	\$ 5.81	\$ (0.01)	\$ 1.35	\$ 1.34	\$ (0.50) *	\$ (0.10) *	—	\$ (1.20)	\$ (0.60)	\$ 0.00	\$ 6.55	24.09%	\$ 55,484	(0.36%)(f)	2.18%(f)	1%
2020	9.48	0.00(b)(g)	(0.02)	(0.02)	(0.06)	(2.39)	—	(1.46)	(3.65)	0.00	5.81	0.27	53,605	0.00(g)(i)	2.20	0(h)
2019	15.03	0.00(b)	(0.32)	(0.32)	(0.05)	(3.72)	(1.46)	(5.23)	(5.23)	0.00	9.48	(1.87)	100,467	(0.00)(i)	2.20	1
2018	19.17	0.01	1.13	1.14	(0.07)	(3.68)	(1.53)	(5.28)	(5.28)	0.00	15.03	6.02	176,167	0.07	2.15	0(h)
2017	20.99	0.05	2.56	2.61	(0.10)	(3.33)	(1.00)	(4.43)	(4.43)	0.00	19.17	13.04	246,690	0.22	2.14	1
2016	22.48	0.06	2.45	2.51	(0.09)	(2.35)	(1.56)	(4.00)	(4.00)	0.00	20.99	10.51	306,349	0.24	2.14	1
Class I																
2021(e)	\$11.15	\$ 0.04	\$ 2.68	\$ 2.72	\$ (0.50) *	\$ (0.10) *	—	\$ (1.12)	\$ (0.60)	\$ 0.00	\$13.27	24.95%	\$140,758	0.64%(f)	1.18%(f)	1%
2020	14.68	0.14(g)	(0.02)	0.12	(0.14)	(2.39)	—	(1.32)	(3.65)	0.00	11.15	1.14	130,903	1.00(g)	1.20	0(h)
2019	20.13	0.19	(0.41)	(0.22)	(0.19)	(3.72)	(1.32)	(5.23)	(5.23)	0.00	14.68	(0.86)	208,893	1.00	1.20	1
2018	23.75	0.26	1.40	1.66	(0.26)	(3.68)	(1.34)	(5.28)	(5.28)	0.00	20.13	7.07	357,812	1.08	1.15	0(h)
2017	24.80	0.31	3.07	3.38	(0.31)	(3.33)	(0.79)	(4.43)	(4.43)	0.00	23.75	14.19	443,912	1.21	1.14	1
2016	25.68	0.33	2.79	3.12	(0.32)	(2.35)	(1.33)	(4.00)	(4.00)	0.00	24.80	11.59	484,305	1.24	1.14	1

† Total return represents aggregate total return of a hypothetical \$1,000 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.

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

(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 incurred interest expense during the six months ended March 31, 2021 and the fiscal years ended September 30, 2020, 2019, 2018, and 2017. If interest expense had not been incurred, the ratio of operating expenses to average net assets would have been 1.42%, 1.42%, 1.40%, 1.39%, and 1.38% (Class AAA and Class A), 2.17%, 2.17%, 2.15%, 2.14%, and 2.13% (Class C), and 1.17%, 1.17%, 1.15%, 1.14%, and 1.13% (Class I), respectively. For the fiscal year ended September 30, 2016 the effect of interest expense was minimal.

(d) The Fund received credits from a designated broker who agreed to pay certain Fund operating expenses. For the six months ended March 31, 2021 and the fiscal years ended September 30, 2020, 2019, 2018, 2017, and 2016, there was no impact on the expense ratios.

(e) For the six months ended March 31, 2021, unaudited.

(f) Annualized.

(g) Includes income resulting from special dividends. Without these dividends, the per share income (loss) ratio would have been 0.68% (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.

(h) Amount represents less than 0.5%.

(i) Amount represents less than 0.005%.

See accompanying notes to financial statements.

The Gabelli Equity Income Fund

Notes to Financial Statements (Unaudited)

1. Organization. The Gabelli Equity Income Fund is a series of the Gabelli Equity Series Funds, Inc. (the Corporation). 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 one of four separately managed 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.

The global outbreak of the novel coronavirus disease, known as COVID-19, has caused adverse effects on many companies, sectors, nations, regions and the markets in general, and may continue for an unpredictable duration. The effects of this pandemic may materially impact the value and performance of the Fund, its ability to buy and sell fund investments at appropriate valuations, and its ability to achieve its investment objectives.

New Accounting Pronouncements. To improve the effectiveness of fair value disclosure requirements, the Financial Accounting Standards Board issued Accounting Standard Update (ASU) 2018-13, Fair Value Measurement Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement (ASU 2018-13), which added, removed, and modified certain aspects relating to fair value disclosure. Management has fully adopted the ASU 2018-13 updates in these financial statements.

In March 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2020-04, Reference Rate Reform (Topic 848) – Facilitation of the Effects of Reference Rate Reform on Financial Reporting. The amendments in the ASU provides optional temporary financial reporting relief from the effect of certain types of contract modifications due to the planned discontinuation of the London Interbank Offered Rate (LIBOR) and other interbank-offered based reference rates as of the end of 2021. The ASU is effective for certain reference rate-related contract modifications that occur through December 31, 2022. Management has reviewed the requirements and believes the adoption of this ASU will not have a material impact on the 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 Gabelli Funds, LLC (the Adviser).

The Gabelli Equity Income Fund

Notes to Financial Statements (Unaudited) (Continued)

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 securities are valued using the closing bid price, unless the Board determines such amount does not reflect the securities' fair value, in which case these securities will be fair valued as determined by the Board. Certain securities are valued principally using dealer quotations. Futures contracts are valued at the closing settlement price of the exchange or board of trade on which the applicable contract is traded. OTC futures and options on futures for which market quotations are readily available will be valued by quotations received from a pricing service or, if no quotations are available from a pricing service, by quotations obtained from one or more dealers in the instrument in question by the Adviser.

Securities and assets for which market quotations are not readily available are fair valued as determined by the Board. Fair valuation methodologies and procedures may include, but are not limited to: analysis and review of available financial and non-financial information about the company; comparisons with the valuation and changes in valuation of similar securities, including a comparison of foreign securities with the equivalent U.S. dollar value American Depositary Receipt securities at the close of the U.S. exchange; and evaluation of any other information that could be indicative of the value of the security.

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

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

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 and other financial instruments by inputs used to value the Fund's investments as of March 31, 2021 is as follows:

	Valuation Inputs	
	Level 1 Quoted Prices	Total Market Value at 3/31/21
INVESTMENTS IN SECURITIES:		
ASSETS (Market Value):		
Common Stocks: (a)	\$592,371,402	\$592,371,402
Warrants (a)	25,552	25,552
TOTAL INVESTMENTS IN SECURITIES – ASSETS	\$592,396,954	\$592,396,954

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

The Fund did not have transfers into or out of Level 3 during the six months ended March 31, 2021.

The Gabelli Equity Income Fund

Notes to Financial Statements (Unaudited) (Continued)

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 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 may enter into short sale transactions. Short selling involves selling securities that may or may not be owned and, at times, borrowing the same securities for delivery to the purchaser, with an obligation to replace such borrowed securities at a later date. The proceeds received from short sales are recorded as liabilities and the Fund records an unrealized gain or loss to the extent of the difference between the proceeds received and the value of an open short position on the day of determination. The Fund records a realized gain or loss when the short position is closed out. By entering into a short sale, the Fund bears the market risk of an unfavorable change in the price of the security sold short. Dividends on short sales are recorded as an expense by the Fund on the ex-dividend date and interest expense is recorded on the accrual basis. The broker retains collateral for the value of the open positions, which is adjusted periodically as the value of the position fluctuates. The Net realized gain on securities sold short, if any, is included on the Statement of Operations. At March 31, 2021, there were no short sales.

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

The Gabelli Equity Income Fund

Notes to Financial Statements (Unaudited) (Continued)

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 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, 2021, the Fund held no 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 the accrual basis. Premiums and discounts on debt securities are amortized using the effective yield to maturity method or amortized to the 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

The Gabelli Equity Income Fund

Notes to Financial Statements (Unaudited) (Continued)

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, 2020 was as follows:

Distributions paid from:	
Ordinary income	\$ 5,482,409
Net long term capital gains	136,799,128
Return of capital	44,083,677
Total distributions paid*	<u>\$186,365,214</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 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, 2021:

	<u>Cost</u>	<u>Gross Unrealized Appreciation</u>	<u>Gross Unrealized Depreciation</u>	<u>Net Unrealized Appreciation</u>
Investments	\$211,306,142	\$383,898,135	\$(2,807,323)	\$381,090,812

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, 2021, the Fund did not incur any income tax, interest, or penalties. As of March 31, 2021, 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

The Gabelli Equity Income Fund

Notes to Financial Statements (Unaudited) (Continued)

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 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, and Class C Share plans, payments are authorized to G.distributors, LLC (the Distributor), an affiliate of the Adviser, at annual rates of 0.25%, 0.25%, 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.

5. Portfolio Securities. Purchases and sales of securities during the six months ended March 31, 2021, other than short term securities and U.S. Government obligations, aggregated \$5,825,026 and \$78,623,749, respectively.

6. Transactions with Affiliates and Other Arrangements. During the six months ended March 31, 2021, the Fund paid \$6,609 in brokerage commissions on security trades to G.research, LLC, an affiliate of the Adviser. Additionally, the Distributor retained a total of \$17,480 from investors representing commissions (sales charges and underwriting fees) on sales and redemptions of Fund shares.

During the six months ended March 31, 2021, 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 \$2,554.

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, 2021, 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 March 2, 2022 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 custodian 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, 2021, there was \$2,155,000 outstanding under the line of credit.

The Gabelli Equity Income Fund

Notes to Financial Statements (Unaudited) (Continued)

The average daily amount of borrowings outstanding under the line of credit during the six months ended March 31, 2021 was \$1,802,049 with a weighted average interest rate of 1.34%. The maximum amount borrowed at any time during the six months ended March 31, 2021 was \$18,892,000.

8. Capital Stock. The Fund offers four classes of shares – Class AAA Shares, Class A Shares, Class C Shares, and Class I 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, 2021 and the fiscal year ended September 30, 2020, 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, 2021 (Unaudited)		Year Ended September 30, 2020	
	Shares	Amount	Shares	Amount
Class AAA				
Shares sold	395,690	\$ 4,413,014	517,283	\$ 6,576,297
Shares issued upon reinvestment of distributions	1,384,531	15,221,372	7,517,054	80,737,011
Shares redeemed	(3,348,448)	(37,207,053)	(8,582,075)	(108,919,916)
Net decrease	(1,568,227)	\$(17,572,667)	(547,738)	\$ (21,606,608)
Class A				
Shares sold	1,748,114	\$ 19,182,904	2,531,411	\$ 32,538,086
Shares issued upon reinvestment of distributions	380,184	4,144,735	1,830,657	19,372,951
Shares redeemed	(1,221,601)	(13,269,537)	(2,778,776)	(34,982,251)
Net increase	906,697	\$ 10,058,102	1,583,292	\$ 16,928,786
Class C				
Shares sold	985,600	\$ 6,236,656	1,439,486	\$ 12,895,728
Shares issued upon reinvestment of distributions	828,035	5,129,437	3,855,885	25,043,742
Shares redeemed	(2,582,612)	(16,180,972)	(6,657,072)	(57,940,256)
Net decrease	(768,977)	\$ (4,814,879)	(1,361,701)	\$ (20,000,786)
Class I				
Shares sold	671,561	\$ 8,452,896	1,325,390	\$ 18,231,196
Shares issued upon reinvestment of distributions	523,736	6,419,061	3,055,726	36,304,618
Shares redeemed	(2,323,689)	(28,340,254)	(6,873,418)	(95,220,248)
Net decrease	(1,128,392)	\$(13,468,297)	(2,492,302)	\$ (40,684,434)

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)

10. Subsequent Events. Management has evaluated the impact on the Fund of all 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 Advisory Agreement (Unaudited)

During the six months ended March 31, 2021, 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, 2020) of the Fund against a peer group of eight 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 all retail and 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 first quartile for the one year period, the third quartile for the three year period, and the fourth quartile for the five 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 second quintile for the one year period and the fourth quintile for the three year and five year periods. The Independent Board Members discussed the reasons for the Fund’s underperformance and the steps the Adviser was taking to improve the Fund’s performance.

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 nineteen 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,

The Gabelli Equity Income Fund

Board Consideration and Re-Approval of Advisory Agreement (Unaudited) (Continued)

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.

Conclusions. The Independent Board Members concluded that the Fund enjoyed highly experienced portfolio management services and good ancillary services. The Independent Board Members noted the reasons for the Fund's underperformance and the steps the Adviser was taking to improve performance and indicated that they would continue to evaluate the Fund. 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 investment management agreements 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 fair and reasonable with respect to 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 Members based their decision on evaluations of all these factors as a whole and did not consider any one factor as all important or controlling.

Gabelli Funds and Your Personal Privacy

Who are we?

The Gabelli Funds are investment companies registered with the Securities and Exchange Commission under the Investment Company Act of 1940. We are managed by Gabelli Funds, LLC, which is affiliated with GAMCO Investors, Inc., a publicly held company with subsidiaries and affiliates that provide investment advisory services for a variety of clients.

What kind of non-public information do we collect about you if you become a fund shareholder?

If you apply to open an account directly with us, you will be giving us some non-public information about yourself. The non-public information we collect about you is:

- *Information you give us on your application form.* This could include your name, address, telephone number, social security number, bank account number, and other information.
- *Information about your transactions with us, any transactions with our affiliates, and transactions with the entities we hire to provide services to you.* This would include information about the shares that you buy or redeem. If we hire someone else to provide services — like a transfer agent — we will also have information about the transactions that you conduct through them.

What information do we disclose and to whom do we disclose it?

We do not disclose any non-public personal information about our customers or former customers to anyone other than our affiliates, our service providers who need to know such information, and as otherwise permitted by law. If you want to find out what the law permits, you can read the privacy rules adopted by the Securities and Exchange Commission. They are in volume 17 of the Code of Federal Regulations, Part 248. The Commission often posts information about its regulations on its website, www.sec.gov.

What do we do to protect your personal information?

We restrict access to non-public personal information about you to the people who need to know that information in order to provide services to you or the fund and to ensure that we are complying with the laws governing the securities business. We maintain physical, electronic, and procedural safeguards to keep your personal information confidential.

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GABELLI EQUITY INCOME FUND
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Portfolio Manager 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.

We have separated the portfolio manager's commentary from the financial statements and investment portfolio due to corporate governance regulations stipulated by the Sarbanes-Oxley Act of 2002. We have done this to ensure that the content of the portfolio manager's commentary is unrestricted. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at www.gabelli.com.

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Net Asset Value per share available daily
by calling 800-GABELLI after 7:00 P.M.

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Solutions, Inc.

LEGAL COUNSEL

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Flom LLP

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, 2021*

