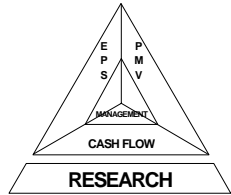


One Corporate Center
Rye, NY 10580-1435
Tel. (914) 921-5146
Fax (914) 921-5392
www.gabelli.com



Gabelli Asset Management

For Immediate Release:

Contact: Robert S. Zuccaro
Chief Financial Officer
(914) 921-5146

For further information visit our
Website at: www.gabelli.com

Gabelli Reports Record First Quarter 2002 Earnings of \$0.51 per Share Assets Under Management Increase to Record \$25.9 billion

Rye, New York, April 25, 2002 – Gabelli Asset Management Inc. (NYSE: “GBL”) today reported record results for its first quarter ended March 31, 2002.

Net Income was \$15.4 million, or \$0.51 per diluted share in 2002 versus \$14.9 million or \$0.50 per diluted share in the first quarter of 2001. Operating income increased 5% to \$28.1 million from the \$26.8 million earned in the first quarter of 2001. Revenues were \$58.0 million as compared to \$58.3 million in the prior year quarter. At March 31, 2002 there were 32.2 million shares outstanding on a diluted basis, reflecting (a) the accounting treatment for a \$100 million convertible note; (b) shares issued in a roll-up of a subsidiary; (c) options exercised; and (d) net of stock purchased. This represents an 8% increase over the 29.8 million shares outstanding at March 31, 2001.

During the quarter the company repurchased 93,000 shares of its common stock for \$3.6 million. The total number of shares repurchased since the inception of the stock repurchase program is 666,000 at an average cost of \$22.02 per share. As of March 31 an authorization to repurchase an additional \$4.2 million of stock remains outstanding.

Financial Highlights

Assets under management at March 31, 2002 climbed to a record \$25.9 billion, up 9.5% from the \$23.7 billion under management at March 31, 2001 and 4.7% higher than the \$24.8 billion reported at December 31, 2001. Average total assets under management were \$24.6 billion in the 2002 quarter versus \$24.2 billion in the first quarter of 2001 and \$23.8 billion during the fourth quarter of 2001. Assets grew \$1.2 billion during the 2002 quarter with the growth about evenly divided between cash inflows and market appreciation. Roughly two-thirds of the \$1.2 billion increase in assets was generated by GAMCO through our institutional and high net worth business. Since GAMCO’s fees are generally billed based on asset levels at the beginning of the quarter the full effect of the asset growth will not be reflected until the second quarter of 2002. At March 31, 2002 assets in our open-end equity mutual funds rose 3.7% to \$8.6 billion.

Revenues were unchanged on a year-to-year basis as the increase in investment advisory and incentive fees was offset by lower commissions and lower 12b-1 distribution fees. The increase in investment advisory and incentive fees was driven by increased revenues from GAMCO’s institutional and high net worth business.

Operating margins improved to 48.5% from 45.9% in the initial quarter of 2001 as total expenses declined more than \$1.6 million or 5.2% to \$29.9 million from \$31.6 million a year earlier. Compensation costs benefited from staff reduction and lower incentive accruals. Other operating expenses were 11% lower in the 2002 quarter reflecting lower mutual fund administration and distribution costs, directly impacted by the lower average assets under management in these funds, as well as our continued efforts to better manage and reduce our overall cost structure.

Interest expense increased \$1.8 million to \$2.7 million from \$0.9 million in the first quarter of 2001 traceable to the issuance of two convertible securities, with proceeds totaling \$190 million, in August 2001 and February 2002. This increase was partially offset by the repayment of a \$50 million note on January 2, 2002. While investable funds in our proprietary portfolio averaged \$435 million in the quarter versus \$274 million a year ago, lower rates coupled with our conservative investment strategy resulted in investment income being unchanged at \$2.1 million.

The estimated effective tax rate in 2002 has been lowered to 37.6% versus 38.6% in calendar 2001 as we benefit from lower state tax rates and other tax planning opportunities. Minority interest declined as a result of the share exchange program, completed in August 2001, in which we increased our ownership in Gabelli Securities, Inc. to 92% from 77%.

We continue to build a strong and liquid balance sheet. Cash and investments were \$482 million at March 31, 2002 versus \$428 million at December 31, 2001 and \$283 million at March 31, 2001. Convertible debt, consisting of a \$100 million convertible note and \$90 million in mandatory convertible securities, was \$190 million at March 31, 2002 as compared to \$100 million at December 31, 2001. Stockholders' equity was \$295 million at March 31, 2002 versus \$216 million a year earlier.

On February 6, 2002 we completed a \$90 million public offering consisting of 3.6 million mandatory convertible securities. These securities trade on the NYSE (GBL.I) and consist of both a contract to purchase shares of GBL on February 17, 2005 and 6% senior notes due in February 2007. Under the purchase contract the number of shares of our Class A Common Stock to be issued will be between 1.9 million and 2.3 million based upon the applicable market value at that date.

Investment, Business and Other Highlights

- Assets under management at GAMCO rose 6.3% in 2002 to a record \$13.0 billion. Growth drivers included \$243 million of business from new clients. Net fund inflows from existing clients of \$141 million and portfolio performance also added to the overall growth in managed assets.
- Assets in our twenty-eight open-end and four closed-end mutual funds totaled \$12.3 billion at March 31, 2002 up from \$11.7 billion on March 31, 2001 and \$12.0 billion at year end 2001. Net fund inflows into Gabelli Mutual Funds were \$185 million including \$146 million into open-end equity funds.
- Six Gabelli and Gabelli Westwood Funds, representing more than 50% of total rated fund assets, received Morningstar Inc.'s coveted "Five Star" rating. Three of these funds, Gabelli Asset, Gabelli Value, and the Gabelli Westwood Mighty Mites, also were designated "Best in Class" in the March 2002 issue of *Mutual Funds Magazine*.

- The Gabelli Gold Fund, with a total return of 97.44% for the twelve months ended March 31, 2002 was ranked #1 in its category by Lipper Inc.
- Gabelli Japanese Value Partners, an event-driven offshore equity fund, was started on April 1, 2002 increasing the number of alternative investment products available to institutional and high net worth investors to nine.
- We received an “investment grade” rating from Moody’s Investors Services, which complements an “investment grade” rating previously received from Standard and Poor’s. On assigning their rating Moody’s noted our strong brand, financial fundamentals, fund performance and product diversification.

Outlook

As we begin our second quarter century of research-driven growth we believe more firmly than ever that we can continue to create shareholder value through our intense focus on research and service and by leveraging our brand name, performance and investment expertise to create new products and enter new markets. We believe our commitment to providing investors with superior long-term, risk-adjusted returns will continue to benefit us through periods of increased market volatility and will provide solid long-term performance for our shareholders.

SPECIAL NOTE REGARDING FORWARD-LOOKING INFORMATION

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

Assets Under Management – Driver of Growth

The Company reported assets under management as follows:

Table I

	Assets Under Management (in millions)		
	March 31,		% Inc. (Dec.)
	2001	2002	
Mutual Funds:			
Open end	\$ 8,321	\$ 8,627	3.7%
Closed end	1,746	1,850	6.0
Fixed income	<u>1,614</u>	<u>1,835</u>	13.7
Total Mutual Funds	<u>11,681</u>	<u>12,312</u>	5.4
Institutional & Separate Accounts:			
Equities	10,651	12,326	15.7
Fixed Income	<u>864</u>	<u>673</u>	(22.1)
Total Institutional & Separate Accounts	<u>11,515</u>	<u>12,999</u>	12.9
Alternative Investments	<u>473</u>	<u>605</u>	27.9
Total Assets Under Management	<u>\$ 23,669</u>	<u>\$ 25,916</u>	9.5

At March 31, 2002, approximately 59% of rated open-end mutual fund assets under management were in funds with Morningstar Inc.'s overall ranking of "Four Star" or better.

Table II:

Fund Flows – 1st Quarter 2002 (in millions)

	December 31, 2001	Net Cash Flows	Market Appreciation / (Depreciation)	March 31, 2002
Mutual Funds:				
Equities	\$ 10,165	\$ 146	\$ 166	\$ 10,477
Fixed Income	<u>1,790</u>	<u>39</u>	<u>6</u>	<u>1,835</u>
Total Mutual Funds	<u>11,955</u>	<u>185</u>	<u>172</u>	<u>12,312</u>
Institutional and Separate Accounts				
Equities	11,513	384	429	12,326
Fixed Income	<u>720</u>	<u>(50)</u>	<u>3</u>	<u>673</u>
Total Institutional and Separate Accounts	<u>12,233</u>	<u>334</u>	<u>432</u>	<u>12,999</u>
Alternative Investments	<u>573</u>	<u>26</u>	<u>6</u>	<u>605</u>
Total Assets Under Management	<u>\$ 24,761</u>	<u>\$ 545</u>	<u>\$ 610</u>	<u>\$ 25,916</u>

Table III:

	Assets Under Management (in millions)					% Increase/(decrease)	
	3/01	6/01	9/01	12/01	3/02	12/01	3/01
Mutual Funds							
Open end	\$ 8,321	\$ 8,963	\$ 7,405	\$ 8,334	\$ 8,627	3.5	3.7
Closed end	1,746	1,971	1,706	1,831	1,850	1.0	6.0
Fixed income	<u>1,614</u>	<u>1,541</u>	<u>1,830</u>	<u>1,790</u>	<u>1,835</u>	2.5	13.7
Total Mutual Funds	<u>11,681</u>	<u>12,475</u>	<u>10,941</u>	<u>11,955</u>	<u>12,312</u>	3.0	5.4
Institutional & Separate Accounts:							
Equities	10,651	11,860	10,008	11,513	12,326	7.1	15.7
Fixed Income	<u>864</u>	<u>737</u>	<u>780</u>	<u>720</u>	<u>673</u>	(6.5)	(22.1)
Total Institutional & Separate Accounts	<u>11,515</u>	<u>12,597</u>	<u>10,788</u>	<u>12,233</u>	<u>12,999</u>	6.3	12.9
Alternative Investments	<u>473</u>	<u>558</u>	<u>615</u>	<u>573</u>	<u>605</u>	5.6	27.9
Total Assets Under Management	<u>\$ 23,669</u>	<u>\$ 25,630</u>	<u>\$ 22,344</u>	<u>\$ 24,761</u>	<u>\$ 25,916</u>	4.7	9.5

Table IV

GABELLI ASSET MANAGEMENT INC.
UNAUDITED CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except per share data)

	For the Three Months Ended March 31,		% <u>Inc. (dec.)</u>
	<u>2001</u>	<u>2002</u>	
Revenues.....	\$ 58,344	\$ 58,032	
Expenses.....	<u>31,550</u>	<u>29,915</u>	(5.2)
Operating income.....	26,794	28,117	4.9
Investment income.....	2,067	2,093	1.3
Interest expense.....	<u>(931)</u>	<u>(2,728)</u>	
Other income (expense), net	<u>1,136</u>	<u>(635)</u>	(155.9)
Income before management fee, income taxes and minority interest.....	27,930	27,482	
Management fee.....	<u>2,793</u>	<u>2,748</u>	
Income before income taxes and minority interest	25,137	24,734	(1.6)
Income tax provision.....	9,703	9,300	
Minority interest.....	<u>538</u>	<u>45</u>	
Net income.....	\$ <u>14,896</u>	\$ <u>15,389</u>	3.3
Net income per share:			
Basic.....	\$ <u>.50</u>	\$ <u>.51</u>	2.0
Diluted.....	\$ <u>.50</u>	\$ <u>.51</u>	2.0
Weighted average shares outstanding:			
Basic	<u>29,507</u>	<u>29,941</u>	1.5
Diluted.....	<u>29,839</u>	<u>32,164</u> (a)	7.8

(a) Increase due to (a) accounting treatment for the sale of a \$100 million convertible note; (b) shares issued in the roll up of GSI; (c) options exercised; and (d) net of stock purchased.

Table V

Gabelli Asset Management Inc.
Unaudited Quarterly Consolidated Condensed Statements of Income
(in thousands, except per share data)

	<u>2001</u>				<u>Total</u>	<u>2002</u>
	<u>1st</u> <u>Quarter</u>	<u>2nd</u> <u>Quarter</u>	<u>3rd</u> <u>Quarter</u>	<u>4th</u> <u>Quarter</u>		<u>1st</u> <u>Quarter</u>
Income Statement Data:						
Revenues	\$ 58,344	\$ 57,017	\$ 56,121	\$ 52,932	\$ 224,414	\$ 58,032
Expenses	<u>31,550</u>	<u>32,102</u>	<u>30,799</u>	<u>25,190</u>	<u>119,641</u>	<u>29,915</u>
Operating income	26,794	24,915	25,322	27,742	104,773	28,117
Investment income	2,067	5,648	3,742	3,191	14,648	2,093
Interest expense	<u>(931)</u>	<u>(956)</u>	<u>(1,741)</u>	<u>(2,546)</u>	<u>(6,174)</u>	<u>(2,728)</u>
Other income (expense), net	<u>1,136</u>	<u>4,692</u>	<u>2,001</u>	<u>645</u>	<u>8,474</u>	<u>(635)</u>
Income before management fee, income taxes and minority interest	27,930	29,607	27,323	28,387	113,247	27,482
Management fee	<u>2,793</u>	<u>2,961</u>	<u>2,732</u>	<u>2,839</u>	<u>11,325</u>	<u>2,748</u>
Income before income taxes and minority interest	25,137	26,646	24,591	25,548	101,922	24,734
Income taxes	9,703	10,285	9,493	9,861	39,342	9,300
Minority interest	<u>538</u>	<u>520</u>	<u>152</u>	<u>272</u>	<u>1,482</u>	<u>45</u>
Net income	<u>\$ 14,896</u>	<u>\$ 15,841</u>	<u>\$ 14,946</u>	<u>\$ 15,415</u>	<u>\$ 61,098</u>	<u>\$ 15,389</u>
Net income per share:						
Basic	<u>\$ 0.50</u>	<u>\$ 0.54</u>	<u>\$ 0.50</u>	<u>\$ 0.52</u>	<u>\$ 2.06</u>	<u>\$ 0.51</u>
Diluted	<u>\$ 0.50</u>	<u>\$ 0.53</u>	<u>\$ 0.49</u>	<u>\$ 0.51</u>	<u>\$ 2.03</u>	<u>\$ 0.51</u>
Weighted average shares outstanding:						
Basic	<u>29,507</u>	<u>29,527</u>	<u>29,748</u>	<u>29,875</u>	<u>29,666</u>	<u>29,941</u>
Diluted	<u>29,839</u>	<u>29,932</u>	<u>31,142</u>	<u>32,182</u>	<u>30,783</u>	<u>32,164</u>

Table VI

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

	December 31,	March 31,	
	<u>2001</u>	<u>2001</u>	<u>2002</u>
ASSETS	(unaudited)		
Cash and cash equivalents.....	\$ 305,447	\$ 105,698	\$ 364,085
Investments	122,131	177,739	118,039
Receivables.....	28,241	29,746	33,228
Deferred tax asset (a).....	18,661	19,382	-
Taxes receivable.....	-	-	10,879
Other assets.....	<u>11,914</u>	<u>6,127</u>	<u>15,469</u>
Total assets.....	\$ <u>486,394</u>	\$ <u>338,692</u>	\$ <u>541,700</u>
LIABILITIES AND STOCKHOLDERS' EQUITY			
Note Payable (a).....	\$50,000	\$ 50,000	\$ -
Accrued expenses and other liabilities.....	<u>53,486</u>	<u>54,102</u>	<u>49,195</u>
Total liabilities.....	103,486	104,102	49,195
Convertible Note.....	100,000	-	100,000
Company obligations under Mandatory Convertible Securities.....	-	-	90,000
Minority interest.....	7,611	18,351	7,383
Stockholders' equity.....	<u>275,297</u>	<u>216,239</u>	<u>295,122</u>
Total liabilities and stockholders' equity.....	\$ <u>486,394</u>	\$ <u>338,692</u>	\$ <u>541,700</u>

(a) This debt, arising from the Formation Transactions, was paid on January 2, 2002, and results in a tax benefit to the Company of \$19,830. This tax benefit will be realized in 2002 and has been included in Taxes receivable.

Gabelli Asset Management Inc. through its subsidiaries manages \$25.9 billion in assets in mutual funds and closed end funds (Gabelli Funds LLC), partnerships (Alternative Investment Group), and private investment advisory accounts (GAMCO).