

THE GABELLI UTILITY TRUST

PRICES 5.625% SERIES A CUMULATIVE PREFERRED SHARES AND SERIES B AUCTION MARKET PREFERRED SHARES

FOR IMMEDIATE RELEASE
Rye, NY
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NYSE - GUT
CUSIP - 36240A101

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The Gabelli Utility Trust (NYSE - GUT) is pleased to announce the placement of two series of Preferred Shares valued at a total of \$55 million. The placement consists of \$30 million of 5.625% Series A Cumulative Preferred Shares and \$25 million of Series B Auction Market Preferred Shares. The proceeds raised will be used for investment purposes.

The 5.625% Series A Preferred Shares are rated "Aaa" by Moody's Investors Service, Inc. The 5.625% Series A Preferred Shares are perpetual, non-callable for five years and will be issued at \$25 per share. Distributions will be paid quarterly beginning on September 26, 2003. The Fund expects that the 5.625% Series A Preferred Shares will trade on the New York Stock Exchange under the symbol "GUT Pr A" within 30 days.

The Series B Auction Market Preferred Shares are rated "Aaa" by Moody's Investors Service, Inc. and "AAA" by Standard & Poor's Ratings Services. The Series B Preferred Shares will be issued at \$25,000 per share and are perpetual and generally are callable at any time without premium. The initial dividend rate for the Series B Preferred Shares will be 1.07% for the period ending August 12, 2003. The dividend rates for subsequent periods will be determined by an auction process.

The Board of Trustees shares the Investment Adviser's view that the issuance of the Preferred Shares is designed to benefit the common shareholders. The Fund expects that following investment of the proceeds, it will be able to earn in excess of the dividend rate on the Preferred Shares and thereby create additional value for its common shareholders.

It should be noted that the Investment Adviser will not receive a management fee on the incremental assets raised unless the total return of the Fund to common shareholders during the year exceeds the dividend rate of the Preferred Shares, including the costs of any interest rate swap agreement the Fund may enter into to protect against short-term interest rate increases. The Investment Adviser believes this fee arrangement is in the best interests of all shareholders.

Merrill Lynch & Co. and Gabelli & Company, Inc. serve as underwriters for the offering, which is expected to close on July 31, 2003.

The Gabelli Utility Trust is a closed-end, non-diversified management investment company with \$98 million in total assets whose primary investment objective is to seek long-term growth of capital and income by investing primarily in utility companies involved in the generation and distribution of electricity, gas and water. The Trust is managed by Gabelli Funds, LLC, a subsidiary of Gabelli Asset Management Inc. (GBL - NYSE), which is a publicly traded NYSE listed company.