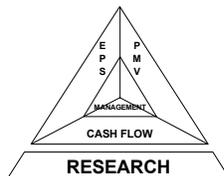


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Gabelli Funds, LLC

Gabelli Mutual Funds Update Two

FOR IMMEDIATE RELEASE

Rye, NY

November 19, 2003

Contact:

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On October 9, 2003 we issued a statement describing requests we had received two days before from the New York Attorney General's Office (NYAG) and prior to that from the Securities and Exchange Commission for information relating to our firm's practices regarding the purchase, sale and valuation of mutual fund shares. These inquiries are part of an industry-wide examination focused primarily on two types of mutual fund share transactions, "late trading" which is illegal, and the scalping of global and international funds which is referred to as "time zone arbitrage," a trading strategy which exploits pricing inefficiencies in mutual fund shares.

Prior to October 9, 2003, we posted a memo titled "Toxic Trading in Mutual Funds" dated September 3, 2003, on our website at www.gabelli.com/funds from the Chief Operating Officer of Gabelli Funds LLC, which was sent to each of the directors of our various mutual funds.

At the present time we are continuing the process of providing a complete response to the request for information from the NYAG's Office. At the same time, we are conducting our own internal review of various mutual fund share-trading issues, the results of which will be presented on completion to the independent board members of our funds and our company.

While our review is ongoing, we wanted to summarize where we are at this point:

- We have found no arrangements to permit illegal "late trading" in any Gabelli mutual funds.
- We have found no fund portfolio manager who engaged in any improper short-term trading or taken advantage of stale prices in their funds' shares.
- We have found no senior executives who engaged in improper trading in our funds' shares. We have asked for all senior executives in our mutual funds subsidiary and in our publicly traded holding company to certify to these facts.
- We have received verification by outside counsel for our funds, namely Skadden, Arps, Slate, Meagher & Flom; Willkie Farr & Gallagher and Paul Hastings, that our funds' prospectuses were silent on the subject of short-term trading in our funds' shares until we imposed the 2% redemption fee for our

International, Gold and Global Funds.

- We were approached by an investment advisor who we believe is part of a broader inquiry. This organization purchased one of our hedge fund products on August 1, 2003, and redeemed on October 31, 2003. This organization did not invest in any of our mutual funds or other products.
- In August 2002, we banned an account, which had been engaging in short term trading in our Global Growth Fund and which had subsequently made a small investment in one of our hedge funds, from further transactions with our firm. Certain other investors had been banned prior to that.
- We are enhancing our firm's code of ethics to include the reporting of all mutual fund share transactions by employees, including non-Gabelli mutual funds.

While our funds' primary disclosure documents (Prospectus and Statement of Additional Information) did not contain statements explicitly prohibiting short-term trading of any kind in their shares, we had initiated a series of actions to deter such activity. For example, we started the process to implement a 2% redemption fee well before the effective date of May 1, 2003, when we instituted the redemption fee, payable to each fund, on redeemed shares of our International, Gold, Global Growth, Global Opportunity, Global Convertible Securities and Global Telecommunication funds held less than sixty (60) days. Since its inception, this fee has generated over \$500,000 for these funds. Our 60-day holding period far exceeds the five-day minimum recommended by the Investment Company Institute in their October 30, 2003 news release.

As we respond to the requests for information from the NYAG and the SEC, we have:

- A recently constituted special committee consisting of all the independent Directors of Gabelli Asset Management's Board to conduct a review of all facts and circumstances relating to various issues involving mutual fund share transactions. The committee is authorized to retain outside counsel.
- Announced to all employees a mechanism whereby any knowledge of improprieties can be communicated directly to our firm's independent directors -- with a reward for verifiable information.

"Since our firm was founded in 1977, we have taken numerous steps to protect the assets entrusted to us by clients. We are aggressively continuing this effort by re-examining our procedures and policies to determine what additional steps we can take to further protect the best interests of all our stakeholders.

A chain is no stronger than its weakest link, so we want to be sure we have all the facts in our quest to protect the best interests of our mutual fund shareholders. We support strict compliance with and vigorous enforcement of all laws and policies regarding the purchase, sale and valuation of mutual fund shares. As soon as all the pertinent facts are in, we will update you on the effects of this investigation and any

appropriate remedial action, including reimbursement to the fund for any harm if any.

We commend New York Attorney General Eliot Spitzer and the SEC for providing the guiding light for all to follow to restore confidence in our mutual fund industry, which has served millions of investors extremely well over the past 60 years.

We thank you for your trust in Gabelli Asset Management Inc."

Sincerely,
Mario J. Gabelli

Gabelli Asset Management Inc. (NYSE: GBL - News), through its subsidiaries, manages approximately \$23 billion in assets of mutual funds and closed-end funds (Gabelli Funds LLC), partnerships (Alternative Investment Group) and private advisory accounts (GAMCO).

Special Note Regarding Forward-looking Information

Our disclosure in this press release may 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.