

THE GABELLI

GLOBAL  
MULTIMEDIA  
TRUST INC.

Shareholder Commentary  
September 30, 2009



**THE GABELLI**  
**GLOBAL**  
**MULTIMEDIA**  
**TRUST INC.**

Our cover icon represents the underpinnings of Gabelli. The Teton mountains in Wyoming represent what we believe in in America – that creativity, ingenuity, hard work, and a global uniqueness provide enduring values. They also stand out in an increasingly complex, interconnected, and interdependent economic world.

**Investment Objective:**

The Gabelli Global Multimedia Trust Inc. is a non-diversified, closed-end management investment company whose primary objective is long-term growth of capital, with income as a secondary objective. The Fund seeks opportunities for long-term growth within the context of two main investment universes: companies involved in creativity, as it relates to the development of intellectual property rights (copyrights); and companies involved in distribution, as it relates to the delivery of these copyrights. Additionally, the Fund will invest in companies participating in emerging technological advances in interactive services and products.

We have separated the portfolio managers' 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 managers' commentary is unrestricted. The financial statements and investment portfolio are mailed separately from the commentary. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at [www.gabelli.com](http://www.gabelli.com).

**This report is printed on recycled paper.**

## To Our Shareholders,

The Gabelli Global Multimedia Trust's (the "Fund") net asset value ("NAV") total return was 29.0% during the third quarter of 2009, compared with gains of 15.7% and 17.5% for the Nasdaq Composite Index and the Morgan Stanley Capital International ("MSCI") World Free Index, respectively. The total return for the Fund's publicly traded shares was 39.0% during the third quarter. On September 30, 2009, the Fund's NAV per share was \$7.42, while the price of the publicly traded shares closed at \$6.27 on the New York Stock Exchange ("NYSE").



THE **GABELLI**  
**GLOBAL**  
**MULTIMEDIA**  
**TRUST INC.**

## Comparative Results

### Average Annual Returns through September 30, 2009 (a)

	<u>Quarter</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	Since Inception (11/15/94)
<b>Gabelli Global Multimedia Trust</b>						
NAV Total Return (b) .....	<b>29.04%</b>	<b>(12.72)%</b>	<b>(12.04)%</b>	<b>(2.58)%</b>	<b>(2.36)%</b>	<b>6.19%</b>
Investment Total Return (c) .....	<b>39.02</b>	<b>(11.32)</b>	<b>(12.36)</b>	<b>(2.07)</b>	<b>(2.05)</b>	<b>5.61</b>
Nasdaq Composite Index .....	15.66	1.46	(2.05)	2.27	(2.54)	7.10
MSCI World Free Index .....	17.45	(2.29)	(4.35)	3.51	0.92	5.86(d)
Lipper Global Multi-Cap Growth Fund Average .....	17.16	4.20	(1.58)	4.03	0.74	6.31

- (a) **Returns represent past performance and do not guarantee future results.** Investment returns and the principal value of an investment will fluctuate. When shares are sold, 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](http://www.gabelli.com) for performance information as of the most recent month end. Performance returns for periods of less than one year are not annualized. **Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing.** The Nasdaq Composite and MSCI World Free Indices are unmanaged indicators of stock market performance. The Lipper Global Multi-Cap Growth Fund Average reflects the average performance of open-end mutual funds classified in this particular category. Dividends are considered reinvested except for the Nasdaq Composite and MSCI World Free Indices. You cannot invest directly in an index.
- (b) Total returns and average annual returns reflect changes in the NAV per share, reinvestment of distributions at NAV on the ex-dividend date, and adjustments for rights offerings and are net of expenses. Since inception return is based on an initial NAV of \$7.50.
- (c) Total returns and average annual returns reflect changes in closing market values on the NYSE, reinvestment of distributions, and adjustments for rights offerings. Since inception return is based on an initial offering price of \$7.50.
- (d) From November 30, 1994, the date closest to the Fund's inception for which data is available.

## Global Allocation

The accompanying chart presents the Fund's holdings by geographic region as of September 30, 2009. The geographic allocation will change based on current global market conditions. Countries and/or regions represented in the chart may or may not be included in the Fund's future portfolio.

## Equity Mix

The Fund's investment premise falls within the context of two main investment themes: 1) companies involved in creativity, as it relates to the development of intellectual property rights (copyrights); and 2) companies involved in distribution, as it relates to the delivery of these copyrights. Additionally, this includes the broad scope of communications and communications related services such as basic voice, data, and the Internet.

The accompanying chart depicts the equity mix of the copyright/creativity and distribution companies in the Fund's portfolio as of September 30, 2009. This equity mix does not include U.S. Government securities and may change in the future.

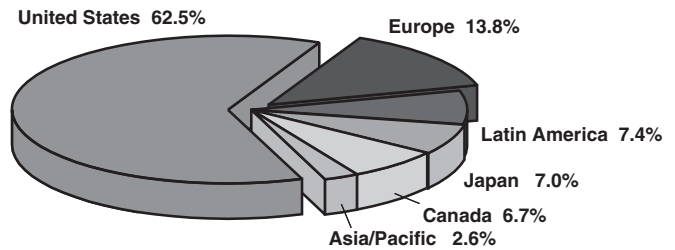
## COMMENTARY

### Up, Up, and Away – Brought to You by Your Friendly Neighborhood Superhero

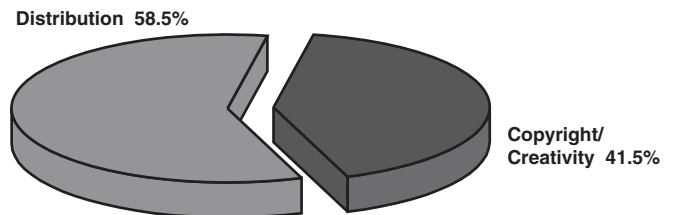
The third quarter of 2009 was momentous – or non-momentous – depending on your particular point of view. The favorable weather meant that no hurricanes hit the continental United States for the first time in many years, leaving oil and natural gas production undisrupted. The economy was somber as unemployment rates approached 10% and job markets continued to contract, but there were clear signs that the Great Recession was ending. The Cash for Clunkers program temporarily accelerated auto sales to an annualized rate of fourteen million cars, and retail sales ex automobiles continued to recover from dismal levels. Anticipating better times, the stock market as represented by the Standard & Poor's 500 Index advanced 15.6%, but still remained well below peak levels, while our Fund advanced 29%, nearly replicating its second quarter performance. While your co-managers would like to credit that gain to their brilliance, the truth is that they had help from what appeared to be an unlikely source – one that had been very helpful over time in the past, just not very visible – The Superhero. This made the contest between (y)our fund and the market averages a little bit unfair, at least in this quarter.

Superheroes have been with the media sector for several generations. They made their debut when Action Comics introduced Superman in 1938, and in 1952 on the television series, Adventures of Superman, starring George Reeves. As with all of those lucky enough to have watched it, your portfolio team is forever imprinted with the "Up, Up, and Away" cry when Superman took flight. However, it was not until late in the quarter that Superman and the other Superheroes got the investment respect they deserved.

## HOLDINGS BY GEOGRAPHIC REGION – 09/30/09



## HOLDINGS BY CLASSIFICATION – 09/30/09



On August 31, 2009, Disney announced its intention to purchase Marvel Entertainment, Inc., the owner of Spider-Man, Iron Man, X-Men, and several thousand other characters. Disney has a reputation among investors for being a rare and careful acquirer (Pixar in 2006 and Capital Cities Broadcasting in 1995 were highly successful acquisitions), and its willingness to pay twenty times current cash flow for Marvel raised many questions. For media investors such as your Fund, however, this was totally good news.

First, it highlighted the fact that media properties of all sorts were currently being valued by the market at five to twelve times cash flow, a huge dispersion between public and private market value.

Secondly, it demonstrated that many key media properties, once placed under rights agreements, were protected from cost escalation. Iron Man, for example, does not have an agent. Can anyone name how many actors have played Batman through the years? Further, these characters are a continuing and consistent source of shareholder value. It is truly amazing, but twenty-six of the thirty-one films that grossed \$300 million or more in this country featured cartoon, fantasy, or superhero characters. Only Titanic, The Passion of the Christ, Forrest Gump, and Independence Day were devoid of those characteristics.

As is usually the case, the market was quick to discover (or rediscover) the benefits of superhero or fantasy franchises. The content owners of these franchises all appreciated more than 15% in the quarter, including Disney, in spite of the dilution its shareholders accepted to buy Marvel. Of note, our Fund did NOT own Marvel. We felt that too many of its valuable characters, such as Spider-Man, had rights that reverted largely to other firms (like Sony) rather than to the parent. This mistake did not hurt us significantly, as we owned virtually everything else in the store, and all the items in the store increased in price. Clearly, the public and private market value of fantasy and superheroes has been marked up, and we suspect that the markup is not transitory. At least in this quarter, content was king!

Meanwhile, back in the Real World....

Other developments clearly helped our holdings and our investable universe in the third quarter:

1. The advertising market began to show signs of life. Football season is now in full swing, and of course it was only time before a coach was heard to mutter, "it's time to put the offensive team back on the field – I'm sick of playing defense!" In the advertising world, that coach was employed by Toyota Motors, who announced a billion dollar increase to its marketing budget in an attempt to drive sales – music to our ears! Other prominent firms inclined to offense included Yahoo!, which introduced a new \$100 million branding campaign, and Starbucks, which is now introducing an instant coffee called VIA. In addition, political advertising is increasing at a greater pace than usual for an odd numbered year. Senatorial races in Massachusetts and Texas are generating significant spending, as are gubernatorial races in Virginia and New Jersey. Local media firms such as Belo in Texas are benefiting mightily.

2. The Internet is alive and well. Search inquiries are growing cyclically, and many large advertisers are sinking substantial dollars into learning how to use Internet display technology more effectively. After much initial skepticism, a deal to combine search technology and marketing at Microsoft and Yahoo! has been well received. Industry leader Google, recognizing the favorable trends, advanced nearly 20% in the quarter.

3. Our sector benefits mightily from the weak dollar. The media and Internet industries are both major exporters with large foreign subsidiaries, and the weak dollar increases the value of foreign revenues when translated back into dollars. The impact is perhaps most visible in film gross receipts. The latest installment of the Harry Potter sequels, Harry Potter and the Half-Blood Prince, did two dollars abroad for every domestic dollar, with cumulative foreign revenue of over \$600 million. Even more amazing was the performance of Ice Age: Dawn of the Dinosaurs, which grossed \$200 million in U.S. theatres, while soaring to over \$700 million in foreign ones.

4. Macau came back with a vengeance. The global recession never had much chance to gather steam in Asia. The Chinese combated it quickly with an effective industrial and consumer stimulus program that energized the Shanghai and Hong Kong stock markets and then spilled over into the Hong Kong real estate market. Much of the wealth that had been eroded by stock market corrections returned, and some began to find its way to Macau. The Chinese central government eased visa restrictions into Macau late in the quarter, after becoming convinced that Macau was not overheating economically and that the players had money they could afford to lose. Declines in the aggregate Macau gaming market were quickly replaced by increases, which accelerated as the People's Republic planned to celebrate its 60th Anniversary on October 1st. The U.S. participants in the Macau market, Las Vegas Sands, Wynn Resorts, and MGM Mirage, all appreciated by over 90% in the third quarter, although all three are well below peak levels. Wynn Resorts and Las Vegas Sands are in the process of selling minority stakes in their Macau holdings on the Hong Kong market. This should highlight the disparity between their stock prices and private market values.

### **Preview of Coming Attractions**

We are great believers in the adage that a rolling stone gathers no moss. Once momentum returns, it usually stays for a while. History suggests that the good performance of our sector will not be transitory.

There continues to be product excitement in media and entertainment. The fourth quarter of 2009 will see the release of James Cameron's 3-D epic, Avatar. This technological wonder (with its \$300 million cost) could be the most anticipated film of all time. Theatre financing for the 3-D process is now in place, insuring an adequate number of screens. In November, the eagerly anticipated video game, Call of Duty: Modern Warfare 2, will debut. Our forecast for first week is close to \$600 million in sales.

Developments that fueled second and third quarter performance should continue in the fourth quarter and on into 2010. A continuing weak dollar is probably the path of least resistance and it will benefit our holdings. The budding advertising recovery should blossom, helped by the Winter Olympics in time zone friendly Vancouver (more live events in prime time) and a vibrant 2010 political calendar. The current strength in technology stocks ahead of the introduction of Microsoft's new operating system is also encouraging.

Interest rates remain historically low and deal activity is reviving. While the strategic success of many media deals is open to question, the fact that deals are happening AND that interest rates are low cannot be construed as anything but positive for media investors, particularly for those who seek out disparities between public and private market values.

With the recovery in Macau underway, there is hope that our government will be more positive about corporate meetings, particularly in resort areas. This would help both Orlando and Las Vegas. It is interesting to note that Senate Majority Leader Harry Reid is from Nevada and faces a tough re-election in 2010. It would be nice if Las Vegas came back to its former glory.

As we have noted in previous letters, we have a long way to go to recoup losses in (y)our Fund. There is no guarantee that we will do so, but there is every evidence the ship is pointed in the right direction and approaching our goal at a good speed.

### **Winners**

In our second quarter 2009 commentary, we highlighted the problem of excessive discounting by the market. The world as we know it did not end. In the second quarter, eleven stocks in our portfolio increased more than 100%, and thirty-two others appreciated by more than 50%. As market confidence in an eventual economic recovery gained steam in the third quarter of 2009, portfolio strength broadened; eleven stocks increased more than 100%, another sixteen increased

by more than 50%, and patterns began to emerge from the market action. Many stocks in old media were quite simply left for dead, but rumors of their death turned out to be greatly exaggerated. Bruised, yes – finished, no. Many of these had large short positions, because the shorts maintained their borrowed stock rather than pay short-term capital gains on a cover of the short sale. That turned out to be a bad decision for our short friends, at least in this quarter. Our top seven performers in this quarter were broadcasting companies, many of which renegotiated credit agreements and/or sold assets. They began to see signs of recovery in their business, and they will undoubtedly move forward with a more conservative financial position than in the last economic cycle. We highlight three of them:

1. Gray Television increased by almost 400% in the quarter. It was probably backed down closest to the investment goal line due to one deal too many, the purchase of the dominant television station in South Bend, Indiana. Gray followed a strategy of buying and operating dominant television stations in recession resistant college towns and state capitols. In this cycle, there was no such thing as recession resistant, especially in the auto business, which represents over 20% of advertising sales. Gray had a near death experience, but the company has hunkered down on costs. It will benefit from significant exposure in Texas, where special elections will help its dominant franchises. Gray still has too much leverage and needs to work on reducing it, but there is clearly light at the end of the tunnel.

2. Belo Corp. operates dominant television stations in large markets in Texas, Arizona, and Washington State. It completed the spinoff of its newspaper operations in 2008. Far less levered than Gray, Belo was probably deserted by investors for being in yesterday's business. That was a mistake, at least in this quarter. The Texas economy is emerging as perhaps the nation's strongest, and special elections for governor and senator will lead to a surge in political advertising over the next twelve months. Proceeds should be used to bring the balance sheet back into top shape. Also, the car is certainly not going out of style in the Southwest, and automobile advertising should recover in Belo's markets. We expect continued good performance from the stock.

3. Gannett still has significant interests in newspapers such as USA Today, and it is a major operator of NBC television stations. Although Gannett was in tough businesses, it was always conservatively financed, so its survival should not have been in doubt. The company surprised Wall Street with a very aggressive posture towards cost controls, a position that is now bearing considerable fruit. While Gannett's newspapers may remain challenged, they will survive, and its well positioned television stations should recover nicely with the economy, although we do not expect them to lead the way out of the pit. Gannett sells well below our estimate of its Private Market Value.

## **Laggards**

Stocks that underperform markets like those we have experienced in the last six months should have their respective investment rationales thoroughly examined. Put simply, should we continue to fish or should we cut bait? The problems with three holdings typify our thought processes. Interestingly, each one presents a unique situation.

1. McGraw-Hill had been a top performer over the years, but Standard & Poor's, its rating agency business, came under severe and unrelenting government pressure for alleged sins of omission and commission during the financial meltdown. Its dominant education publishing business was damaged by financial pressure at the purchaser level, both individually and institutionally. The combined result has been very poor stock performance. We have watched the government hearings closely, and we have little doubt that the company's defenses are significant and that its franchise will emerge from the debacle battered but surviving. The world still needs rating agencies, and Standard & Poor's will be one of them. How its business model will work is yet to be decided. In educational publishing, the market will come back – the question is *when*. When it does, pent up demand should lead to surprisingly good earnings. Expect the stock to remain in our Fund.

2. Electronic Arts was always known as the highest quality video software company. Under new management, it largely missed this cycle, supporting the Sony PlayStation 3 rather than the Nintendo Wii. The company never developed a massive multiplayer game, and innovative games like Spore did not perform as expected. EA's stock has languished 60% below past peaks during this cycle. Over time, however, video games will be the fastest growing media business. In spite of its recent failures, EA has over \$2 billion of net cash. It is a very attractive acquisition candidate for a major media firm, Apple, or Microsoft – for those, it is a bite-sized morsel. We recently added to our position.

3. Sprint Nextel is the number three player in the U.S. cellular market. The company has the difficult problem of operating two incompatible technologies due to a past acquisition. The U.S. cellular market is now both mature and oversupplied, and the two dominant firms have no plans to go away. This is an unpleasant stewpot. Some potential relief is swirling about in the form of a potential merger with Deutsche Telecom. At present, we are watching the position, but we are greatly concerned.

### **Let's Talk Stocks**

The following are stock specifics on selected holdings of our Fund. Favorable earnings prospects do not necessarily translate into higher stock prices, but they do express a positive trend that we believe will develop over time. Individual securities mentioned are not necessarily representative of the entire portfolio. The share prices of the following holdings are stated in U.S. dollars or U.S. dollar equivalent terms as of September 30, 2009.

*The DirecTV Group Inc. (DTV - \$27.58 - Nasdaq)* is the largest satellite television provider in the world, with 24.2 million subscribers in the United States, Mexico, and Latin America. Started by General Motors only fifteen years ago, DTV has utilized superior television technology, ownership of unique sports rights, and pursuit of the high end of the pay TV market to stake out a highly defensible market niche. The high fixed cost nature of the satellite TV business produced a longer path to break even than many had forecast, but the business model generated large and growing free cash flow once breakeven was reached. In our view, in the last several years the market has vastly undervalued the company's business and the strength of its market position. The company has agreed to be acquired by Liberty Entertainment, one of Dr. John Malone's stable of companies (also owned by your Fund), and we expect the transaction to conclude in the fourth quarter. The business has remained rock solid in this treacherous economic environment. Following the completion of the transaction, we expect the use of more financial leverage at the corporation, and possibly the eventual sale of the combined company to a telephone company, the most likely being AT&T.

*Rogers Communications Inc. (RCI - \$28.20 - NYSE)* is a large Canadian cellular operator with interests in cable, television, and radio stations, as well as Canadian sports businesses. It is the only Canadian cellular firm utilizing the GSM cellular operating system that dominates the world. This gives RCI a monopoly on high margin GSM roaming traffic in Canada, as well as distribution rights to Apple's iPhone. Rogers has been a stellar performer for your Fund throughout the years, but performance has lagged badly this year as cash flow growth flattened. Cellular in Canada has proven to be cyclic, particularly in the roaming category, and this has hurt RCI badly. Investors feared margin pressure from new entrants who will hit the market in 2010. Finally, cash flow growth has been penalized by the conservative accounting treatment of revenue from iPhone usage. These problems are either transitory or overblown (the new entrants will target fringes of the Canadian market that are not of interest to Rogers), and have led to an unusually attractive and low valuation for the corporation.

*Time Warner Inc. (TWX - \$28.78 - NYSE)* is a large media content producer through its Time Inc. magazines, Warner Brothers Entertainment, and the Home Box Office and Turner Broadcasting cable network divisions. The corporation has finally reverted to its roots, as it spun off Time Warner Cable in March, and it is in the process of spinning off the AOL business. Investors applauded these simplification moves, which have been helped by success on the creative side of the

business (while Harry Potter is the gift that keeps on giving, our favorite this year is The Hangover, which will probably wind up as the largest grossing comedy of all time). TWX has industry dominant market share and very stable operating management. Its businesses, when not funding acquisitions, are large generators of free cash flow. TWX is finally getting the valuation its business positioning has warranted.

*Wynn Resorts Ltd. (WYNN - \$70.89 - Nasdaq)* is a major operator of high end casino resorts in Las Vegas and Macau. Wynn recently completed a \$2 billion expansion of its Las Vegas facility and a Wynn Macau IPO on the Hong Kong stock market. The 1.25 billion share IPO is equivalent to a 25% stake in the company, and raised approximately \$1.6 billion. The IPO, an exercise in financial engineering, highlights the severe undervaluation of the company by investors, as it appears the Asian entity will float at 13 to 14 times cash flow, a level far above that accorded U.S. gaming firms. The liquidity infusion will strengthen the industry's strongest balance sheet, which is also probably its strongest franchise with the most consistent management. It will also provide the fuel for further expansion, most likely on real estate on the Cotai Strip in Macau. While cash flow is currently adequate for corporate needs, it should surge if Las Vegas recovers. We own Wynn in our Fund both as an independent entity and through its 20% owner, Aruze Corp. of Japan.

*Yahoo! Inc. (YHOO - \$17.81 - Nasdaq)* is a large Internet portal that generates revenue from Internet search, display marketing, and online services such as Yahoo! hotjobs. The corporation hit a strategic impasse when the previous founding management rejected a takeover bid from Microsoft, and then failed to provide shareholders with a legitimate growth strategy as a stand alone entity. They have been replaced by new management that has cut costs, negotiated a search partnership with Microsoft, and provided far better focus on conventional business objectives. The new team will have its first meeting with investors in late October at a time in which Internet activity should be picking up in a fairly vigorous manner. Yahoo! is of interest to investors as over 40% of its value is accounted for by investments in Asia, largely Yahoo! Japan and a Chinese joint venture. The value of these assets, when marked to market, shows an extraordinarily low valuation of the consolidated entity.

Sincerely,



**Mario J. Gabelli, CFA**  
Portfolio Manager and  
Chief Investment Officer



**Lawrence J. Haverty, CFA**  
Associate Portfolio Manager

October 21, 2009

**Note:** The views expressed in this Shareholder Commentary reflect those of the Portfolio Managers only through the end of the period stated in this Shareholder Commentary. The Portfolio Managers' views are subject to change at any time based on market and other conditions. The information in this Portfolio Managers' Shareholder Commentary represents the opinions of the individual Portfolio Managers and is not intended to be a forecast of future events, a guarantee of future results, or investment advice. Views expressed are those of the Portfolio Managers and may differ from those of other portfolio managers or of the Firm as a whole. This Shareholder Commentary does not constitute an offer of any transaction in any securities. Any recommendation contained herein may not be suitable for all investors. Information contained in this Shareholder Commentary has been obtained from sources we believe to be reliable, but cannot be guaranteed.

## **Portfolio Manager Compensation**

Mr. Gabelli's incentive-based, variable compensation structure and dollar amount have been fully disclosed each year since April of 2000 in the annual proxy statement for GAMCO Investors, Inc. (NYSE:GBL). Mr. Gabelli receives no base salary, no annual bonus, and no stock options.

As founder and portfolio manager of The Gabelli Global Multimedia Trust Inc., Mr. Gabelli received \$86,552 in calendar year 2008. For the Fund's first twelve months of operation starting in November 1994, Mr. Gabelli received less than \$220,000. Mario J. Gabelli and various entities he controls owned 596,753 common shares of the Fund for a total amount invested of \$3,741,640, as of September 30, 2009. Mr. Gabelli may not have pecuniary interest equal to a one hundred percent economic ownership in some of the entities he controls.

## **Common Stock Repurchase Plan**

On July 3, 1996, the Board of Directors of the Fund (the "Board") voted to authorize the repurchase of the Fund's common shares in the open market from time to time, when such shares are trading at a discount of 10% or more from NAV. Pursuant to this share repurchase plan, the Fund repurchased and retired 5,000 common shares in the third quarter of 2009. In total through September 30, 2009, the Fund has repurchased and retired 1,086,333 shares in the open market under this share repurchase plan at an average investment of \$8.86 per share and an average discount to NAV of 15.8%.

## **5% Distribution Policy for Common Stockholders Suspended**

The Board suspended the Fund's 5% Distribution Policy for common shareholders at its February 2009 quarterly board meeting. The Fund will return to distributing substantially all of its net investment income and net realized capital gains, if any, to shareholders on an annual basis at year end. This quarter, the Board again reviewed the amount of any potential distribution, the Fund's net asset value, and the financial market environment.

The Fund was a spin-off from The Gabelli Equity Trust in November 1994 and as a sector equity fund originally distributed any net investment income and net realized capital gains to shareholders on an annual basis. In August 2004, the Board authorized the adoption of a 5% annual Distribution Policy. Under this Distribution Policy, the Fund paid quarterly distributions beginning in 2005 such that the minimum annual distribution was 5% of the Fund's average net asset value.

## **6.00% Series B Cumulative Preferred Stock**

The Fund's 6.00% Series B Cumulative Preferred Stock paid a \$0.375 per share cash distribution on September 28, 2009 to preferred shareholders of record on September 21, 2009. The Series B Preferred Shares, which trade on the NYSE under the symbol "GGT Pr B", are rated "Aaa" by Moody's Investors Service and have an annual dividend rate of \$1.50 per share. The Series B Preferred Shares were issued on April 1, 2003 at \$25.00 per share and pay distributions quarterly. After five years, the Series B Preferred Shares became callable at any time at the liquidation value of \$25.00 per share plus accrued dividends. The next distribution is scheduled for December 2009. The Fund is authorized to purchase its Series B Preferred Shares in the open market from time to time when such shares are trading at a discount to the liquidation value of \$25.00. During the third quarter of 2009, the Fund repurchased and retired 995 Series B Preferred Shares. In total through September 30, 2009, the Fund has repurchased and retired 48,885 Series B Preferred Shares.

## **Series C Auction Rate Cumulative Preferred Stock**

The dividend rates for the Series C Auction Rate Cumulative Preferred Stock ranged from 0.135% to 0.315% during the third quarter of 2009. Dividend rates for the Series C Preferred Shares are cumulative at a rate that may be reset every seven days based on the results of an auction. Since February 2008, the number of Series C Preferred Shares subject to bid orders by potential holders has been less than the number of Series C Preferred Shares subject to sell orders. Therefore, the weekly auctions have failed, and the dividend rate since then has been the maximum rate. In that event, holders that have submitted sell orders may not be able to sell any or all of the Series C Preferred Shares for which they have submitted sell orders. The current maximum rate is 150% of the “AA” Financial Composite Commercial Paper Rate on the day of such auction. The Series C Preferred Shares do not trade on an exchange. The Series C Preferred Shares are rated “Aaa” by Moody’s Investors Service and “AAA” by Standard & Poor’s Ratings Services. The Fund issued 1,000 Series C Preferred Shares on April 1, 2003 at \$25,000 per share. As of September 30, 2009, 600 Series C Preferred Shares were outstanding.

It should be noted that the Investment Adviser does not receive a management fee on the incremental assets attributable to the Preferred Stock unless the total return of the net asset value of the common stock during the year, including distributions and management fee subject to reduction, exceeds the stated dividend rate or corresponding swap rate of each particular series of Preferred Stock for the fiscal year. The Investment Adviser believes this fee arrangement is in the best interest of all shareholders.

The Board shares the Investment Adviser’s view that the issuance of the Preferred Stock is designed to benefit the common shareholders. To the extent that the Fund earns in excess of the dividend rate on the Preferred Stock, additional value will thereby be created for its common shareholders.

A portion of the distributions may be treated as long-term capital gain and qualified dividend income for individuals, each subject to the maximum federal income tax rate, which is currently 15% in taxable accounts for individuals. Long-term capital gains, qualified dividend income, and ordinary income, if any, will be allocated on a pro-rata basis to all distributions to preferred shareholders for the year. Based on the accounting records of the Fund as of September 16, 2009, each of the distributions paid in 2009 would include approximately 15% from net investment income and 85% from paid-in capital. The estimated components of each distribution are provided to shareholders of record in a notice accompanying the distribution and are available on our website ([www.gabelli.com](http://www.gabelli.com)). The final determination of the sources of all distributions in 2009 will be made after year end and can vary from the quarterly estimates. All shareholders with taxable accounts will receive written notification regarding the components and tax treatment for all 2009 distributions in early 2010 via Form 1099-DIV.

**www.gabelli.com**

Please visit us on the Internet. Our homepage at [www.gabelli.com](http://www.gabelli.com) contains information about GAMCO Investors, Inc., the Gabelli/GAMCO Mutual Funds, IRAs, 401(k)s, current and historical quarterly reports, closing prices, and other current news. We welcome your comments and questions via e-mail at [closedend@gabelli.com](mailto:closedend@gabelli.com).

You may sign up for our e-mail alerts at [www.gabelli.com](http://www.gabelli.com) and receive early notice of quarterly report availability, news events, media sightings, and mutual fund prices and performance.

**e-delivery**

We are pleased to offer electronic delivery of Gabelli fund documents. Shareholders of our closed-end funds can now elect to receive e-mail announcements regarding available materials, including shareholder commentaries and fund reports. For more information or to register for e-delivery, please visit our website at [www.gabelli.com](http://www.gabelli.com).

**Top Ten Holdings**  
**September 30, 2009**

Cablevision Systems Corp.	Discovery Communications Inc.
Grupo Televisa SA	Aruze Corp.
Rogers Communications Inc.	Telephone & Data Systems Inc.
Liberty Media Corp. – Entertainment	Liberty Global Inc.
Vivendi	Telefonica SA

## **AUTOMATIC DIVIDEND REINVESTMENT AND VOLUNTARY CASH PURCHASE PLANS**

### **Enrollment in the Plan**

It is the policy of The Gabelli Global Multimedia Trust Inc. (the “Fund”) to automatically reinvest dividends payable to common shareholders. As a “registered” shareholder you automatically become a participant in the Fund’s Automatic Dividend Reinvestment Plan (the “Plan”). The Plan authorizes the Fund to credit shares of common stock to participants upon an income dividend or a capital gains distribution regardless of whether the shares are trading at a discount or a premium to net asset value. All distributions to shareholders whose shares are registered in their own names will be automatically reinvested pursuant to the Plan in additional shares of the Fund. Plan participants may send their stock certificates to Computershare Trust Company, N.A. (“Computershare”) to be held in their dividend reinvestment account. Registered shareholders wishing to receive their distributions in cash must submit this request in writing to:

The Gabelli Global Multimedia Trust Inc.  
c/o Computershare  
P.O. Box 43010  
Providence, RI 02940-3010

Shareholders requesting this cash election must include the shareholder’s name and address as they appear on the share certificate. Shareholders with additional questions regarding the Plan or requesting a copy of the terms of the Plan, may contact Computershare at (800) 336-6983.

If your shares are held in the name of a broker, bank, or nominee, you should contact such institution. If such institution is not participating in the Plan, your account will be credited with a cash dividend. In order to participate in the Plan through such institution, it may be necessary for you to have your shares taken out of “street name” and re-registered in your own name. Once registered in your own name your distributions will be automatically reinvested. Certain brokers participate in the Plan. Shareholders holding shares in “street name” at participating institutions will have dividends automatically reinvested. Shareholders wishing a cash dividend at such institution must contact their broker to make this change.

The number of shares of common stock distributed to participants in the Plan in lieu of cash dividends is determined in the following manner. Under the Plan, whenever the market price of the Fund’s common stock is equal to or exceeds net asset value at the time shares are valued for purposes of determining the number of shares equivalent to the cash dividends or capital gains distribution, participants are issued shares of common stock valued at the greater of (i) the net asset value as most recently determined or (ii) 95% of the then current market price of the Fund’s common stock. The valuation date is the dividend or distribution payment date or, if that date is not a New York Stock Exchange (“NYSE”) trading day, the next trading day. If the net asset value of the common stock at the time of valuation exceeds the market price of the common stock, participants will receive shares from the Fund valued at market price. If the Fund should declare a dividend or capital gains distribution payable only in cash, Computershare will buy shares of common stock in the open market, or on the NYSE or elsewhere, for the participants’ accounts, except that Computershare will endeavor to terminate purchases in the open market and cause the Fund to issue shares at net asset value if, following the commencement of such purchases, the market value of the common stock exceeds the then current net asset value.

The automatic reinvestment of dividends and capital gains distributions will not relieve participants of any income tax which may be payable on such distributions. A participant in the Plan will be treated for federal income tax purposes as having received, on a dividend payment date, a dividend or distribution in an amount equal to the cash the participant could have received instead of shares.

## **Voluntary Cash Purchase Plan**

The Voluntary Cash Purchase Plan is yet another vehicle for our shareholders to increase their investment in the Fund. In order to participate in the Voluntary Cash Purchase Plan, shareholders must have their shares registered in their own name.

Participants in the Voluntary Cash Purchase Plan have the option of making additional cash payments to Computershare for investments in the Fund's common shares at the then current market price. Shareholders may send an amount from \$250 to \$10,000. Computershare will use these funds to purchase shares in the open market on or about the 1st and 15th of each month. Computershare will charge each shareholder who participates \$0.75, plus a pro rata share of the brokerage commissions. Brokerage charges for such purchases are expected to be less than the usual brokerage charge for such transactions. It is suggested that any voluntary cash payments be sent to Computershare, P.O. Box 43010, Providence, RI 02940-3010 such that Computershare receives such payments approximately 10 days before the 1st and 15th of the month. Funds not received at least five days before the investment date shall be held for investment until the next purchase date. A payment may be withdrawn without charge if notice is received by Computershare at least 48 hours before such payment is to be invested.

*Shareholders wishing to liquidate shares held at Computershare* must do so in writing or by telephone. Please submit your request to the above mentioned address or telephone number. Include in your request your name, address, and account number. The cost to liquidate shares is \$2.50 per transaction as well as the brokerage commission incurred. Brokerage charges are expected to be less than the usual brokerage charge for such transactions.

For more information regarding the Automatic Dividend Reinvestment Plan and Voluntary Cash Purchase Plan, brochures are available by calling (914) 921-5070 or by writing directly to the Fund.

The Fund reserves the right to amend or terminate the Plan as applied to any voluntary cash payments made and any dividend or distribution paid subsequent to written notice of the change sent to the members of the Plan at least 90 days before the record date for such dividend or distribution. The Plan also may be amended or terminated by Computershare on at least 90 days written notice to participants in the Plan.



**DIRECTORS AND OFFICERS  
THE GABELLI GLOBAL MULTIMEDIA TRUST INC.  
One Corporate Center, Rye, NY 10580-1422**

***Directors***

- Mario J. Gabelli, CFA  
*Chairman & Chief Executive Officer,  
GAMCO Investors, Inc.*
- Dr. Thomas E. Bratter  
*President & Founder, John Dewey Academy*
- Anthony J. Colavita  
*President,  
Anthony J. Colavita, P.C.*
- James P. Conn  
*Former Managing Director &  
Chief Investment Officer,  
Financial Security Assurance Holdings Ltd.*
- Frank J. Fahrenkopf, Jr.  
*President & Chief Executive Officer,  
American Gaming Association*
- Anthony R. Pustorino  
*Certified Public Accountant,  
Professor Emeritus, Pace University*
- Werner J. Roeder, MD  
*Medical Director,  
Lawrence Hospital*
- Salvatore J. Zizza  
*Chairman, Zizza & Co., Ltd.*

***Officers***

- Bruce N. Alpert  
*President*
- Peter D. Goldstein  
*Chief Compliance Officer*
- Laurissa M. Martire  
*Vice President & Ombudsman*
- Agnes Mullady  
*Treasurer & Secretary*
- Investment Adviser***  
Gabelli Funds, LLC  
One Corporate Center  
Rye, New York 10580-1422
- Custodian***  
State Street Bank and Trust Company
- Counsel***  
Willkie Farr & Gallagher LLP
- Transfer Agent and Registrar***  
Computershare Trust Company, N.A.

***Stock Exchange Listing***

	6.00%
	<u>Common</u> <u>Preferred</u>
NYSE-Symbol:	GGT      GGT PrB
Shares Outstanding:	13,989,153      791,115

The Net Asset Value per share appears in the Publicly Traded Funds column, under the heading “Specialized Equity Funds,” in Monday’s The Wall Street Journal. It is also listed in Barron’s Mutual Funds/Closed End Funds section under the heading “Specialized Equity Funds.”

The Net Asset Value per share may be obtained each day by calling (914) 921-5070 or visiting [www.gabelli.com](http://www.gabelli.com).

For general information about the Gabelli Funds, call **800-GABELLI** (800-422-3554), fax us at 914-921-5118, visit Gabelli Funds’ Internet homepage at: [www.gabelli.com](http://www.gabelli.com), or e-mail us at: [closedend@gabelli.com](mailto:closedend@gabelli.com)

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940, as amended, that the Fund may, from time to time, purchase shares of its common stock in the open market when the Fund’s shares are trading at a discount of 10% or more from the net asset value of the shares. The Fund may also, from time to time, purchase shares of its preferred stock in the open market when the preferred shares are trading at a discount to the liquidation value.

THE GABELLI GLOBAL MULTIMEDIA TRUST INC.  
One Corporate Center  
Rye, NY 10580-1422  
(914) 921-5070  
[www.gabelli.com](http://www.gabelli.com)

Shareholder Commentary  
September 30, 2009