

The Gabelli Value Fund Inc.

Shareholder Commentary

March 31, 2010



Christopher Marangi

To Our Shareholders,

For the first quarter of 2010, the net asset value (“NAV”) per Class A Share of The Gabelli Value Fund rose 8.0%, versus an increase of 5.4% for the Standard & Poor’s (“S&P”) 500 Index. The Fund’s annualized total returns for the one year, five year, ten year, fifteen year, and since inception periods were 71.2%, 2.1%, 3.2%, 9.5%, and 10.2%, respectively.

The Economy

Stocks continued their march upward in the first quarter as signs of an economic recovery grew stronger. Unemployment began to fall, dropping back below 10%. Industrial production continued to expand and retail sales, helped by favorable weather, increased sharply in March. As cash accumulates on corporate balance sheets, acquisitions and investment in capital equipment, inventories, and jobs should follow.

The “Three B’s” – Barack, Bernanke and Beijing – loomed large in the quarter in their influence on the economy and stock market. Stocks suffered a mid quarter pullback due in part to jitters over China’s attempts to cool its economy as well as concerns over the fiscal troubles of Greece and the other “PIIGS” of Europe (Portugal, Italy, and Ireland). Debate over Obama’s healthcare bill dominated news coverage throughout the quarter, but ultimately a scaled-down bill was signed into law by President Obama in late March. The Federal Reserve continued to keep rates at record lows, although it has now completed its purchase of agency mortgage-backed securities and agency debt.

Comparative Results

Average Annual Returns through March 31, 2010*

	<u>Quarter</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>15 Year</u>	<u>Since Inception (9/29/89)</u>
Gabelli Value Fund Class A	8.03%	71.22%	(4.60)%	2.06%	3.19%	9.47%	10.24%
S&P 500 Index	5.39	49.73	(4.16)	1.92	(0.65)	7.75	8.38

The expense ratio in the current prospectus is 1.52% for the Fund’s Class A Shares. The maximum sales charge for the Class A Shares is 5.75%.

*** Returns represent past performance and do not guarantee future results. Total returns and average annual returns reflect changes in share price and reinvestment of distributions and are net of expenses. 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. Performance returns for periods of less than one year are not annualized. Current performance may be lower or higher than the data presented. Visit www.gabelli.com for performance information as of the most recent month end. Returns exclude the effect of the maximum 5.75% sales charge at the beginning of the period, which, if reflected, would have been lower. Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectus contains more information about this and other matters and should be read carefully before investing. See page 7 for further details about additional classes of shares. The S&P 500 Index is an unmanaged indicator of stock market performance. Dividends are considered reinvested. You cannot invest directly in an index.**

One key function of the Federal Reserve is to gather, array, and project the data on the U.S. economy. Chairman Ben Bernanke and members of the Federal Open Market Committee must then interpret this data as they set monetary policy. While most of this data is stable to improving, the economic picture remains fragile: at 9.7%, unemployment remains the highest in twenty years; home foreclosures are increasing and commercial real estate vacancies are at a record high; more ominously, commodity prices – notably for oil – are rising, potentially impacting consumer spending; finally, the existing budget deficit and new healthcare act will likely lead to higher future tax rates. The Fed must balance its goal of price stability with snuffing out a nascent return to economic growth.

Like the Fed, (y)our research team at Gabelli gathers, arrays, and projects data from a variety of sources each day. Our company by company analysis suggests that order rates are increasing, advertising spending has resumed, and employment has begun to expand. Like Chairman Bernanke, our job as portfolio managers is to interpret what this means for stocks. Normally, rising interest rates are bad for stocks. In this case, however, other dynamics may dominate. Rates remain historically low. A return of consumer demand should translate into both higher revenues and much stronger earnings, as now-leaner corporations benefit from operating leverage.

While risks remain, we believe our focus on Private Market Value with a Catalyst™ and seeking a margin of safety, will benefit fund shareholders over the long term.

Deals, Deals, Deals – The Fifth Wave

As we have written previously, merger and acquisition (“M&A”) activity is slowly increasing as corporate buyers are using acquisitions to add global growth and scale. The strong are taking advantage of low valuations, excess cash, and attractive financing terms to become stronger.

Several Fund holdings were the subject of M&A activity during the quarter. After a lengthy standoff, Kraft (0.3% of net assets as of March 31, 2010) completed its acquisition of Cadbury with sweetened terms to its original offer. Broadview Security, the alarm monitoring company spun-off from The Brink’s Company (0.1%) in October 2008 announced an agreement to be acquired by its largest competitor, ADT, itself owned by Tyco International Ltd. (0.5%). Notably, private equity firms, largely absent from M&A over the last two years, have begun to return. In that vein, cable operator, RCN Corp. (0.2%) is being acquired for \$15/share in cash by ABRV Partners. Financial engineering is also being used again by companies to surface value. Cablevision Systems (6.2%) spun-off Madison Square Garden (1.3%) to shareholders on a one-for-four basis in February 2010, allowing management to focus on other potential strategic actions, including a sale of the Rainbow cable networks and a merger with Time Warner Cable (0.1%), which could surface additional value in the future.

Investment Scorecard

The largest contributors to return in the first quarter included Liberty Capital (+52%) (1.5%) and Liberty Interactive (+41%) (0.7%), tracker stocks associated with Dr. John C. Malone, as increased confidence in Liberty’s strategy to narrow the tracker stock discounts mixed favorably with improving consumer fundamentals. A stronger outlook for advertising and travel drove Viacom (+16%) (6.7%) and Gaylord Entertainment (+48%) (0.9%). Strong contributions from the industrials sector were led by CIRCOR International (+32%) (1.2%), Honeywell (+16%) (2.7%), and Flowserve (+17%) (1.2%).

Detractors to performance were limited, but included Vivendi SA (–10%) (1.5%), Barrick Gold (–3%) (2.5%), and Diageo (–3%) (2.5%).

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. For the following holdings, the share prices are stated in U.S. dollar equivalents as of March 31, 2010.

American Express Co. (2.2% of net assets as of March 31, 2010) (AXP - \$41.26 - NYSE) is the largest closed-loop credit card company in the world. The company operates its eponymous premiere branded payment network and lends to its largely affluent customer base. American Express has 88 million cards in force and \$50 billion in loans, while its customers charged nearly \$620 billion of spending on their cards during 2009. The company's strong consumer brand has allowed American Express to enter the deposit gathering market as an alternate source of funding, while the company's affluent customers have begun to see slight improvements in spending. Longer-term, American Express should capitalize on its higher spending customer base and to continue to expand into other payment related businesses like corporate purchasing while also growing in emerging markets.

CNH Global NV (0.5%) (CNH - \$30.75 - NYSE) headquartered in the Netherlands, is a global manufacturer of agricultural and construction equipment. The company operates in three segments: Agricultural Equipment, Construction Equipment, and Financial Services. We continue to believe that CNH offers the most compelling risk/reward ratio in the agricultural space.

Flowserve Corporation (1.2%) (FLS - \$110.27 - NYSE) is the largest pump company serving the petroleum, chemical, and power industries. The company's products include engineered pumps, automated and control valves, actuators, and seals. About 40% of FLS's revenues are derived from the oil and gas industry. We believe the company should benefit from the refurbishment of the aging infrastructure in the U.S., Middle East, and other parts of the world that were built years ago to bring up oil. In addition, the oil companies now need to bring up the dirtier, heavier, and harder to obtain crude from thousands of feet below ground as the cleaner, lighter, and easier to obtain crude are depleted from 800 feet below ground. These requirements demand more highly engineered pumps, valves, and seals that can work under very high pressure, high temperature, or under water, boding well for FLS's products.

Griffon Corp. (0.3%) (GFF - \$12.46 - NYSE), based in Jericho, NY, operates three businesses: Clopay Garage Doors, which manufactures residential garage doors; Specialty Plastic Films, which develops plastic films used as moisture barriers in baby diapers and adult incontinence products; and Telephonics, which manufactures a variety of electronic systems used in defense and commercial markets worldwide. For the fiscal year ended September 30, 2009, Griffon generated revenues of \$1.2 billion and EBITDA of approximately \$70 million. Currently, Griffon trades at a significant discount to its private market value. The company's adult incontinence products should benefit as the number of baby boomers in the 65+ age group grows at the fastest rate in history. Additionally, an improvement in the housing market fundamentals should provide tailwinds to the company's garage door business. Finally, CEO Ron Kramer could help surface value by spinning off or selling some businesses or through streamlining existing operations.

Honeywell International (2.7%) (HON - \$45.27 - NYSE) is a leading producer of avionics, power and electronic systems for the aerospace market, process automation, and security products for the industrial, residential, and commercial building markets. The company also makes turbochargers for the automotive industry and provides technologies to the energy market. HON has excellent products, a strong balance sheet, and generates substantial free cash flow that could be used for internal growth, acquisitions, and stock repurchases. In

addition, the company is executing on its long-term strategy to expand in less costly regions of the world while reducing costs in more costly countries by closing plants, consolidated facilities, and implementing six sigma and lean manufacturing. These dynamics should position HON for bigger profitability gains in the future.

HSN Inc. (0.3%) (HSNI - \$29.44 - Nasdaq), spun off from IAC/Interactive in August 2008, operates the second largest television commerce network in the U.S. In addition to its flagship “HSN” channel and HSN.com website, HSNI also owns a portfolio of catalogs and related websites through its Cornerstone Brands subsidiary, including Frontgate, Ballard Designs, and Garnet Hill. We believe HSN and its peer, QVC, possess superior retail business models that allow for flexible merchandising and minimal capital intensity. HSN has significantly outperformed the traditional retail market as sales move increasingly through its robust website, a trend we expect to continue.

Madison Square Garden (1.3%) (MSG - \$21.73 - Nasdaq) Cablevision Systems spun off MSG on a one-for-four basis on February 9, 2010. The company’s assets includes the New York Knicks and New York Rangers professional sports franchises; the MSG/MSG+ and fuse cable networks; and entertainment properties including the Radio City Christmas Spectacular and Rockettes. These businesses are supported by six venues, including MSG’s eponymous New York City arena (“the world’s most famous arena”) and Radio City Music Hall. MSG is embarking upon a three year, \$800 million renovation of the Garden. Enhanced cash flow from the renovated arena, cyclical tailwinds, and a improvement in the on-court/ice performance of the company’s sports teams should result in significantly higher future earnings.

Millicom International Cellular S.A. (0.2%) (MICC - \$89.15 - Nasdaq) is a wireless carrier serving 34 million mobile customers in emerging markets, primarily under the brand name Tigo. It operates in 13 countries in Latin America (Bolivia, Colombia, El Salvador, Guatemala, Honduras, and Paraguay) and Africa (Chad, DRC, Ghana, Mauritius, Rwanda, Senegal, and Tanzania). Millicom also offers broadband and cable TV services in five countries in Central America. In the second half of 2009, Millicom agreed to sell its Asian assets in three separate transactions for approximately \$566 million in total proceeds (at 7.2x 2009 estimated EBITDA). The company has a strong balance sheet (0.5x net debt/EBITDA) and is focused on pursuing external growth opportunities in the near term. In December 2009, MICC shareholders approved a commencement of a regular annual dividend payment; \$1.24 per share will be paid in January 2010. The dividend is expected to be raised to \$1.40 per share later this year.

Newmont Mining (4.5%) (NEM - \$50.93 - NYSE) is one of the largest gold producing companies in the world with mines on five continents. Newmont recently acquired 100% of the Boddington project in western Australia. Boddington is expected to be a low cost, long life asset, which will allow Newmont to grow to six million ounces of production by 2012. We believe that Newmont will generate significant cash flow in 2010 and beyond with gold at current prices.

Viacom Inc. (6.7%) (VIA - \$36.68 - NYSE) is a pure play content company that owns a global stable of cable networks, including MTV, Nickelodeon, MTV, VH1, MTV, and BET, and the Paramount movie studio. The company was spun off from former parent “old Viacom,” now known as CBS Corp., on December 31, 2005. Viacom’s cable networks generate revenue from advertising sales, fixed monthly subscriber fees, and ancillary revenue from toy licensing, etc. The company has seen an improvement in its viewership and continues to reap the benefits of the shift in audience from broadcast networks to cable. Paramount has posted a series of box office successes with franchises such as Star Trek, Iron Man, and Transformers. Viacom is also building a new franchise with its Rock Band video game, including the popular Beatles version of the game, which could result in a substantial stream of recurring revenue from song purchases. We believe the company will resume its share repurchase program in 2010.

Vivendi SA (1.5%) (V - \$26.76 - CAC) is a telecommunications and media company with stakes in France's second largest wireless company (SFR), Morocco's incumbent telephone operator (Maroc Telecom), France's largest pay-TV service (Canal+), the world's largest recorded music company (Universal Music), and the world's largest video game software company (Activision). In May 2004, the company completed the sale of its U.S. film, TV, and theme park assets to NBC for \$14 billion, retaining a 20% stake in the newly formed NBC Universal. In December 2009, Vivendi reached an agreement to sell its interest in NBCU for \$5.8 billion as part of that company's merger with Comcast. Vivendi redeployed a portion of those proceeds in its \$3 billion acquisition of GVT, a rapidly growing broadband company in Brazil. We expect Vivendi to continue to consolidate ownership of its assets, eliminating minority partners in Canal+ (Lagardere) and eventually SFR (Vodafone).

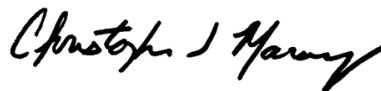
Conclusion

We think an environment in which generally flat market performance is punctuated by occasional corporate transactions is ideal for our Private Market Value (PMV) with a Catalyst™ investment approach. We first and foremost select stocks based on their fundamentals. We seek an adequate margin of safety and one or more catalysts that can surface the intrinsic value of a security. To the extent that a takeover provides that catalyst, it adds an extra element of return to the portfolio.

Sincerely,



Mario J. Gabelli, CFA
Portfolio Manager and
Chief Investment Officer – Value Portfolios
April 30, 2010



Christopher J. Marangi
Associate Portfolio Manager

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 GAMCO Investors, Inc.'s (NYSE: GBL) annual proxy statement. Mr. Gabelli receives no base salary, no annual bonus, and no options.

As founder and portfolio manager of The Gabelli Value Fund, Mr. Gabelli received \$723,089 in calendar 2009. In 1989, the Fund's first year of operation starting in September, Mr. Gabelli received less than \$3,200,000. As beneficial owner, he had \$44,437 invested in The Gabelli Value Fund as of December 31, 2009, which includes the holdings of GBL and GGCP, Inc., GBL's parent holding company.

Minimum Initial Investment – \$1,000

The Fund's minimum initial investment for regular accounts is \$1,000. There are no subsequent investment minimums. No initial minimum is required for those establishing an Automatic Investment Plan. Additionally, the Fund and other Gabelli/GAMCO Funds are available through the no-transaction fee programs at many major brokerage firms. The Fund imposes a 2% redemption fee on shares sold in seven days or less of a purchase. See the prospectus for more details.

www.gabelli.com

Please visit us on the Internet. Our homepage at 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 info@gabelli.com.

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

The Fund's daily net asset value is available in the financial press and each evening after 7:00 PM (Eastern Time) by calling 800-GABELLI (800-422-3554). The Fund's Nasdaq symbol is GABVX for Class A Shares. Please call us during the business day for further information.

e-delivery

We are pleased to offer electronic delivery of Gabelli fund documents. Direct shareholders of our open-end mutual funds can now elect to receive their Annual, Semiannual, and Quarterly Fund Reports, Manager Commentaries, and Prospectuses via e-delivery. For more information or to sign up for e-delivery, please visit our website at www.gabelli.com.

Top Ten Holdings (Percent of Net Assets)

March 31, 2010

Viacom Inc., Cl. A 6.7%	Telephone & Data Systems Inc. 3.3%
Cablevision Systems Corp., Cl. A 6.2%	Honeywell International Inc. 2.7%
Newmont Mining Corp. 4.5%	Diageo plc 2.5%
Swedish Match AB 4.5%	Barrick Gold Corp. 2.5%
DIRECTV 3.8%	Rogers Communications Inc., Cl. B 2.4%

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. 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/funds.

Multi-Class Shares

On May 1, 2010, the Fund will introduce no-load Class AAA Shares (GVCAX). These shares will be available directly from Gabelli & Company and through selected no-transaction fee programs.

The Gabelli Value Fund Average Annual Returns – March 31, 2010 (a)

	<u>Class A Shares</u>	<u>Class B Shares</u>	<u>Class C Shares</u>	<u>Class I Shares</u>
1 Year	71.22% 61.37(c)	69.72% 64.72(d)	69.76% 68.76(e)	71.67%
5 Year	2.06 0.86(c)	1.29 0.91(d)	1.29 1.29	2.18
10 Year	3.19 2.58(c)	2.43 2.43	2.44 2.44	3.25
Life of Fund (b)	10.24 9.92(c)	9.83 9.83	9.85 9.85	10.27
Current Expense Ratio	1.52	2.27	2.27	1.27
Maximum Sales Charge	5.75	5.00	1.00	None
Ticker Symbols	GABVX	GVCBX	GVCCX	GVCIX

(a) **Returns represent past performance and do not guarantee future results.** Total returns and average annual returns reflect changes in share price and reinvestment of distributions and are net of expenses. 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. Performance returns for periods of less than one year are not annualized. 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. **Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectus contains more information about this and other matters and should be read carefully before investing.**

The Class A Share NAVs per share are used to calculate performance for the periods prior to the issuance of Class B Shares and Class C Shares on March 15, 2000 and the Class I Shares on January 11, 2008. The actual performance of the Class B Shares and Class C Shares would have been lower due to the additional 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.

(b) From commencement of operations on September 29, 1989.

(c) The maximum sales charge on Class A Shares is 5.75%.

(d) Performance results include the deferred sales charges for the Class B Shares upon redemption at the end of the one year and five year periods of 5% and 2%, respectively, of the Fund's NAV per share at the time of purchase or sale, whichever is lower. Class B Shares are available through exchange only.

(e) Performance results include the deferred sales charges for the Class C Shares upon redemption at the end of the one year period of 1% of the Fund's NAV per share at the time of purchase or sale, whichever is lower.

The Gabelli Value Fund Inc.

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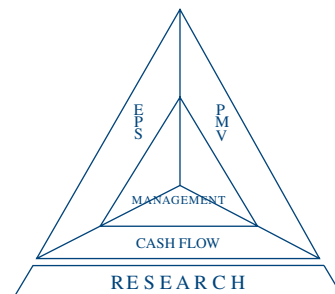
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Net Asset Value per share available daily by calling
800-GABELLI after 7:00 P.M.



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Gabelli & Company, Inc.

The Gabelli Value Fund Inc.

This report is submitted for the general information of the shareholders of The Gabelli Value Fund Inc. It is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.

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SHAREHOLDER COMMENTARY
MARCH 31, 2010

The Gabelli Value Fund Inc.

First Quarter Report March 31, 2010



Christopher Marangi

To Our Shareholders,

For the quarter ended March 31, 2010, the net asset value (“NAV”) per share of The Gabelli Value Fund’s (the “Fund”) Class A Shares rose 8.03%, versus increases in the Standard & Poor’s (“S&P”) 500 Index of 5.39%, the Dow Jones Industrial Average of 4.81%, and the Nasdaq Composite Index of 5.68%.

Enclosed is the investment portfolio as of March 31, 2010.

Comparative Results

Average Annual Returns through March 31, 2010 (a) (Unaudited)

	Quarter	1 Year	3 Year	5 Year	10 Year	15 Year	Since Inception (9/29/89)
Gabelli Value Fund Class A	8.03%	71.22%	(4.60)%	2.06%	3.19%	9.47%	10.24%
	1.82(b)	61.37(b)	(6.47)(b)	0.86(b)	2.58(b)	9.03(b)	9.92(b)
S&P 500 Index	5.39	49.73	(4.16)	1.92	(0.65)	7.75	8.38
Dow Jones Industrial Average	4.81	46.87	(1.48)	3.33	2.29	8.98	9.70
Nasdaq Composite Index	5.68	56.87	(0.33)	3.70	(6.25)	7.44	8.24
Class B	7.77	69.72	(5.35)	1.29	2.43	8.91	9.83
	2.77(c)	64.72(c)	(6.31)(c)	0.91(c)	2.43	8.91	9.83
Class C	7.76	69.76	(5.30)	1.29	2.44	8.93	9.85
	6.76(d)	68.76(d)	(5.30)	1.29	2.44	8.93	9.85
Class I	8.12	71.67	(4.42)	2.18	3.25	9.51	10.27

In the current prospectus, the expense ratios for Class A, B, C, and I Shares are 1.52%, 2.27%, 2.27%, and 1.27%, respectively. Class I Shares have no sales charge. The maximum sales charge for Class A, B, and C Shares is 5.75%, 5.00%, and 1.00%, respectively.

(a) **Returns represent past performance and do not guarantee future results.** Total returns and average annual returns reflect changes in share price and reinvestment of distributions and are net of expenses. 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. Performance returns for periods of less than one year are not annualized. 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. **Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectus contains more information about this and other matters and should be read carefully before investing.**

The Class A Shares NAVs per share are used to calculate performance for the periods prior to the issuance of Class B Shares and Class C Shares on March 15, 2000 and the Class I Shares on January 11, 2008. The actual performance of the Class B Shares and Class C Shares would have been lower due to the additional 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. The S&P 500 Index is an unmanaged indicator of stock market performance. The Dow Jones Industrial Average is an unmanaged index of 30 large industrial stocks and the Nasdaq Composite Index is an unmanaged indicator of stock market performance. Dividends are considered reinvested. You cannot invest directly in an index.

(b) The maximum sales charge on Class A Shares is 5.75%.

(c) Performance results include the deferred sales charges for the Class B Shares upon redemption at the end of the quarter, one year, three year, and five year periods of 5%, 5%, 3%, and 2%, respectively, of the Fund’s NAV per share at the time of purchase or sale, whichever is lower. Class B Shares are not available for new purchases.

(d) Performance results include the deferred sales charges for the Class C Shares upon redemption at the end of the quarter and one year periods of 1% of the Fund’s NAV per share at the time of purchase or sale, whichever is lower.

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. 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/funds.

The Gabelli Value Fund Inc.
Schedule of Investments — March 31, 2010 (Unaudited)

<u>Shares</u>	<u>Market Value</u>	<u>Shares</u>	<u>Market Value</u>
COMMON STOCKS — 100.0%			
Aerospace — 1.9%			
1,000,000	Rolls-Royce Group plc†	\$ 9,036,695	
Agriculture — 0.2%			
39,000	Archer-Daniels-Midland Co.	1,127,100	
500	The Mosaic Co.	30,385	
		<u>1,157,485</u>	
Automotive — 0.2%			
20,000	Navistar International Corp.†	894,600	
Automotive: Parts and Accessories — 1.6%			
38,000	China Yuchai International Ltd.	666,900	
169,000	Genuine Parts Co.	7,138,560	
		<u>7,805,460</u>	
Aviation: Parts and Services — 0.8%			
110,000	BBA Aviation plc	325,002	
40,000	Curtiss-Wright Corp.	1,392,000	
365,000	GenCorp Inc.†	2,102,400	
		<u>3,819,402</u>	
Broadcasting — 4.3%			
805,000	CBS Corp., Cl. A, Voting	11,221,700	
193,000	Liberty Media Corp. - Capital, Cl. A†	7,019,410	
47,500	Liberty Media Corp. - Starz, Cl. A†	2,597,300	
		<u>20,838,410</u>	
Business Services — 1.4%			
30,000	Akamai Technologies Inc.†	942,300	
35,300	Ascent Media Corp., Cl. A†	961,925	
14,000	Broadridge Financial Solutions Inc.	299,320	
83,000	Clear Channel Outdoor Holdings Inc., Cl. A†	880,630	
29,950	Fidelity National Information Services Inc.	702,028	
47,000	Intermec Inc.†	666,460	
3,000	MasterCard Inc., Cl. A	762,000	
25,000	Monster Worldwide Inc.†	415,250	
140,000	SearchMedia Holdings Ltd.†	659,400	
9,000	The Brink's Co.	254,070	
		<u>6,543,383</u>	
Cable and Satellite — 15.6%			
130,000	Adelphia Communications Corp., Cl. A† (a)	0	
130,000	Adelphia Communications Corp., Cl. A, Escrow† (a)	0	
130,000	Adelphia Recovery Trust†	1,560	
1,252,000	Cablevision Systems Corp., Cl. A	30,223,280	
51,000	Comcast Corp., Cl. A, Special	916,470	
540,000	DIRECTV, Cl. A†	18,257,400	
98,000	DISH Network Corp., Cl. A	2,040,360	
49,000	EchoStar Corp., Cl. A†	993,720	
235,000	Liberty Global Inc., Cl. A†	6,852,600	
341,000	Rogers Communications Inc., Cl. B	\$ 11,638,330	
106,000	Scripps Networks Interactive Inc., Cl. A	4,701,100	
7,000	Time Warner Cable Inc.	373,170	
		<u>75,997,990</u>	
Communications Equipment — 1.3%			
10,000	Alcatel-Lucent, ADR†	31,200	
302,000	Corning Inc.	6,103,420	
20,000	Motorola Inc.†	140,400	
		<u>6,275,020</u>	
Computer Software and Services — 0.2%			
8,000	Alibaba.com Ltd.	16,094	
27,000	AOL Inc.†	682,560	
21,000	Yahoo! Inc.†	347,130	
		<u>1,045,784</u>	
Consumer Products — 5.8%			
58,000	Energizer Holdings Inc.†	3,640,080	
567	Givaudan SA	497,126	
800	National Presto Industries Inc.	95,128	
85,000	Pactiv Corp.†	2,140,300	
905,000	Swedish Match AB	21,632,967	
2,000	Wolverine World Wide Inc.	58,320	
		<u>28,063,921</u>	
Consumer Services — 2.1%			
50,000	Brink's Home Security Holdings Inc.†	2,127,500	
6,500	IAC/InterActiveCorp.†	147,810	
212,000	Liberty Media Corp. - Interactive, Cl. A†	3,245,720	
165,000	Rollins Inc.	3,577,200	
60,000	TiVo Inc.†	1,027,200	
		<u>10,125,430</u>	
Diversified Industrial — 6.3%			
42,000	Ampco-Pittsburgh Corp.	1,042,440	
8,000	Cooper Industries plc	383,520	
163,000	Crane Co.	5,786,500	
112,037	Griffon Corp.†	1,395,981	
293,000	Honeywell International Inc.	13,264,110	
116,000	ITT Corp.	6,218,760	
209,400	Katy Industries Inc.†	366,450	
61,000	Tyco International Ltd.	2,333,250	
		<u>30,791,011</u>	
Educational Services — 0.2%			
8,000	ITT Educational Services Inc.†	899,840	
Electronics — 3.3%			
187,000	LSI Corp.†	1,144,440	
12,500	Rovi Corp.†	464,125	
195,000	Texas Instruments Inc.	4,771,650	

See accompanying notes to schedule of investments.

The Gabelli Value Fund Inc.
Schedule of Investments (Continued) — March 31, 2010 (Unaudited)

<u>Shares</u>	<u>Market Value</u>	<u>Shares</u>	<u>Market Value</u>
COMMON STOCKS (Continued)			
Electronics (Continued)			
4,000	Thermo Fisher Scientific Inc.†\$ 205,760	46,000	Kinnevik Investment AB, Cl. B\$ 847,298
191,000	Thomas & Betts Corp.† 7,494,840	67,000	Legg Mason Inc. 1,920,890
74,000	Tyco Electronics Ltd. 2,033,520	25,000	SLM Corp.† 313,000
	<u>16,114,335</u>	36,000	The Bank of New York Mellon Corp. 1,111,680
		33,000	Wells Fargo & Co. 1,026,960
			<u>21,095,939</u>
Energy and Utilities — 2.2%			
11,000	Chevron Corp. 834,130	Food and Beverage — 5.7%	
114,000	ConocoPhillips 5,833,380	46,000	Constellation Brands Inc., Cl. A† 756,240
8,000	FPL Group Inc. 386,640	8,000	Corn Products International Inc. 277,280
5,420	Mirant Corp.† 58,861	45,000	Davide Campari - Milano SpA 481,071
200,000	Mirant Corp., Escrow† (a) 0	20,000	Del Monte Foods Co. 292,000
10,000	National Fuel Gas Co. 505,500	181,000	Diageo plc, ADR 12,208,450
70,000	Northeast Utilities 1,934,800	45,000	Dr. Pepper Snapple Group Inc. 1,582,650
35,000	Southwest Gas Corp. 1,047,200	8,000	Flowers Foods Inc. 197,920
	<u>10,600,511</u>	98,000	Fomento Economico Mexicano
			SAB de CV, ADR 4,657,940
Entertainment — 15.0%			
8,570	Chestnut Hill Ventures† (a) 289,066	35,000	H.J. Heinz Co. 1,596,350
173,000	Discovery Communications Inc., Cl. A† 5,845,670	12,000	Kellogg Co. 641,160
172,000	Discovery Communications Inc., Cl. C† 5,058,520	25,000	Kerry Group plc, Cl. A 775,277
65,000	Dover Motorsports Inc. 133,900	42,000	Kraft Foods Inc., Cl. A 1,270,080
256,000	Grupo Televisa SA, ADR 5,381,120	7,000	PepsiCo Inc. 463,120
299,000	Madison Square Garden Inc., Cl. A† 6,497,270	18,000	Pernod-Ricard SA 1,528,485
327,001	Time Warner Inc. 10,225,321	14,000	Remy Cointreau SA 723,277
881,000	Viacom Inc., Cl. A† 32,315,080	11,000	The Hershey Co. 470,910
276,001	Vivendi 7,386,693		<u>27,922,210</u>
	<u>73,132,640</u>	Health Care — 0.4%	
Environmental Services — 2.4%			
299,000	Republic Services Inc. 8,676,980	4,000	Chemed Corp. 217,520
80,000	Waste Management Inc. 2,754,400	14,000	Covidien plc 703,920
	<u>11,431,380</u>	16,000	Mead Johnson Nutrition Co. 832,480
			<u>1,753,920</u>
Equipment and Supplies — 3.5%			
168,000	CIRCOR International Inc. 5,579,280	Hotels and Gaming — 1.4%	
29,000	Federal Signal Corp. 261,290	50,000	Dover Downs Gaming & Entertainment Inc. 198,000
52,000	Flowserve Corp. 5,734,040	145,000	Gaylord Entertainment Co.† 4,247,050
68,000	Gerber Scientific Inc.† 422,280	475,000	Ladbrokes plc 1,146,090
92,000	GrafTech International Ltd.† 1,257,640	42,000	Las Vegas Sands Corp.† 888,300
124,000	Watts Water Technologies Inc., Cl. A 3,851,440	36,000	MGM Mirage† 432,000
	<u>17,105,970</u>		<u>6,911,440</u>
Financial Services — 4.3%			
260,000	American Express Co. 10,727,600	Machinery — 1.6%	
2,000	Ameriprise Financial Inc. 90,720	78,000	CNH Global NV† 2,398,500
23,000	Artio Global Investors Inc. 569,020	66,000	Deere & Co. 3,924,360
26,000	Deutsche Bank AG 1,998,620	41,000	Zebra Technologies Corp., Cl. A† 1,213,600
94,000	H&R Block Inc. 1,673,200		<u>7,536,460</u>
20,000	Interactive Brokers Group Inc., Cl. A† 323,000	Metals and Mining — 7.8%	
11,038	JPMorgan Chase & Co. 493,951	311,000	Barrick Gold Corp. 11,923,740
		31,000	Freeport-McMoRan Copper & Gold Inc. 2,589,740
		98,000	Kinross Gold Corp. 1,674,820
		425,000	Newmont Mining Corp. 21,645,250
			<u>37,833,550</u>

See accompanying notes to schedule of investments.

The Gabelli Value Fund Inc.
Schedule of Investments (Continued) — March 31, 2010 (Unaudited)

<u>Shares</u>	<u>Market Value</u>	<u>Shares</u>	<u>Market Value</u>
COMMON STOCKS (Continued)		WARRANTS — 0.0%	
Publishing — 2.7%		Business Services — 0.0%	
543,000	Media General Inc., Cl. A†	30,000	SearchMedia Holdings Ltd., expire 11/19/11†
	\$ 4,501,470		\$ 28,497
53,000	Meredith Corp.		
	1,823,730		
479,000	News Corp., Cl. A		
	6,902,390		
1	The E.W. Scripps Co., Cl. A†		
	9		
	<u>13,227,599</u>		
Real Estate — 0.8%		Energy and Utilities — 0.0%	
133,600	Griffin Land & Nurseries Inc.	17,405	Mirant Corp., Ser. A, expire 01/03/11†
	3,881,080		1,741
Retail — 1.1%		TOTAL WARRANTS	
54,000	HSN Inc.†		<u>30,238</u>
	1,589,760	TOTAL INVESTMENTS — 100.0%	
50,000	Ingles Markets Inc., Cl. A		(Cost \$309,872,692)
	751,500		\$ 486,144,593
100,000	Safeway Inc.		Aggregate book cost
	2,486,000		\$ 309,872,692
18,000	Walgreen Co.		Gross unrealized appreciation
	667,620		\$ 200,316,918
	<u>5,494,880</u>		Gross unrealized depreciation
			(24,045,017)
			Net unrealized appreciation/depreciation
			\$ 176,271,901
Specialty Chemicals — 0.6%		(a) Security fair valued under procedures established by the Board of Directors. The procedures may include reviewing available financial information about the company and reviewing the valuation of comparable securities and other factors on a regular basis. At March 31, 2010, the market value of fair valued securities amounted to \$289,066 or 0.06% of total investments.	
205,000	Ferro Corp.†		† Non-income producing security.
	1,801,950		ADR American Depository Receipt
6,000	FMC Corp.		
	363,240		
15,000	International Flavors & Fragrances Inc.		
	715,050		
3,000	Monsanto Co.		
	214,260		
	<u>3,094,500</u>		
Telecommunications — 4.7%			
560,000	Cincinnati Bell Inc.†		
	1,909,600		
68,000	RCN Corp.†		
	1,025,440		
975,000	Sprint Nextel Corp.†		
	3,705,000		
370,000	Telephone & Data Systems Inc.		
	12,524,500		
125,000	Telephone & Data Systems Inc., Special		
	3,730,000		
	<u>22,894,540</u>		
Wireless Communications — 0.6%			
10,000	Millicom International Cellular SA		
	891,500		
40,000	United States Cellular Corp.†		
	1,655,200		
7,000	ViaSat Inc.†		
	242,270		
	<u>2,788,970</u>		
TOTAL COMMON STOCKS	<u>486,114,355</u>		

See accompanying notes to schedule of investments.

The Gabelli Value Fund Inc.

Notes to Schedule of Investments (Unaudited)

1. Security Valuation. Portfolio securities listed or traded on a nationally recognized securities exchange or traded in the United States of America 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").

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 instruments with remaining maturities of sixty days or less that are not credit impaired are valued at amortized cost, 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. Debt instruments having a maturity greater than sixty days 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 security is valued using the closing bid price. Futures contracts are valued at the closing settlement price of the exchange or board of trade on which the applicable contract is traded.

Securities and assets for which market quotations are not readily available are fair valued as determined by the Board.

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 Fund's determinations as to the fair value of investments).

The Gabelli Value Fund Inc.

Notes to Schedule of Investments (Continued) (Unaudited)

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 by inputs used to value the Fund's investments as of March 31, 2010 is as follows:

	Valuation Inputs		Total Market Value at 3/31/10
	Level 1 Quoted Prices	Level 3 Significant Unobservable Inputs	
INVESTMENTS IN SECURITIES:			
ASSETS (Market Value):			
Common Stocks:			
Cable and Satellite	\$ 75,997,990	\$ 0	\$ 75,997,990
Energy and Utilities	10,600,511	0	10,600,511
Entertainment	72,843,574	289,066	73,132,640
Other Industries (a)	326,383,214	—	326,383,214
Total Common Stocks	485,825,289	289,066	486,114,355
Warrants (a)	30,238	—	30,238
TOTAL INVESTMENTS IN SECURITIES	\$485,855,527	\$289,066	\$486,144,593

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

The following is a reconciliation of Level 3 investments for which significant unobservable inputs were used to determine fair value:

	Balance as of 12/31/09	Accrued discounts/ (premiums)	Realized gain/ (loss)	Change in unrealized appreciation/ depreciation	Net purchases/ (sales)	Transfers into Level 3†	Transfers out of Level 3†	Balance as of 3/31/10	Net change in unrealized appreciation/ depreciation during the period on Level 3 investments held at 3/31/10
INVESTMENTS IN SECURITIES:									
ASSETS (Market Value):									
Common Stocks:									
Cable and Satellite	\$ 0	\$—	\$—	\$—	\$—	\$—	\$—	\$ 0	\$—
Energy and Utilities	0	—	—	—	—	—	—	0	—
Entertainment	289,066	—	—	—	—	—	—	289,066	—
Total Common Stocks	289,066	—	—	—	—	—	—	289,066	—
TOTAL INVESTMENTS IN SECURITIES	\$289,066	\$—	\$—	\$—	\$—	\$—	\$—	\$289,066	\$—

† The Fund's policy is to recognize transfers into and transfers out of Level 3 as of the beginning of the reporting period.

2. Derivative Financial Instruments. The Fund may engage in various portfolio investment strategies by investing in a number of derivative financial instruments for the purpose of hedging against changes in the value of its portfolio securities and in the value of securities it intends to purchase. Investing in certain derivative financial instruments, including participation in the options, futures, or swap markets, entails certain execution, liquidity, hedging, tax, and securities, interest, credit, or currency market risks. Losses may arise if the Adviser's prediction of movements in the direction of the securities, foreign currency, and interest rate markets is inaccurate. Losses may also arise if the counterparty does not perform its duties under a contract, or that, in the event of default, the Fund may be delayed in or prevented from obtaining payments or other contractual

The Gabelli Value Fund Inc.

Notes to Schedule of Investments (Continued) (Unaudited)

remedies owed to it under derivative contracts. The creditworthiness of the counterparties is closely monitored in order to minimize these risks. Participation in derivative transactions involves investment risks, transaction costs, and potential losses to which the Fund would not be subject absent the use of these strategies. The consequences of these risks, transaction costs, and losses may have a negative impact on the Fund's ability to pay distributions.

Futures Contracts. The Fund may engage in futures contracts for the purpose of hedging against changes in the value of its portfolio securities and in the value of securities it intends to purchase. Upon entering into a futures contract, the Fund is required to deposit with the broker an amount of cash or cash equivalents equal to a certain percentage of the contract amount. This is known as the "initial margin." Subsequent payments ("variation margin") are made or received by the Fund each day, depending on the daily fluctuations in the value of the contract, and are included in unrealized appreciation/depreciation on investments and futures contracts. The Fund recognizes a realized gain or loss when the contract is closed.

There are several risks in connection with the use of futures contracts as a hedging instrument. The change in value of futures contracts primarily corresponds with the value of their underlying instruments, which may not correlate with the change in value of the hedged investments. In addition, there is the risk that the Fund may not be able to enter into a closing transaction because of an illiquid secondary market. During the quarter ended March 31, 2010, the Fund had no investments in futures contracts.

The Gabelli Value Fund Inc.

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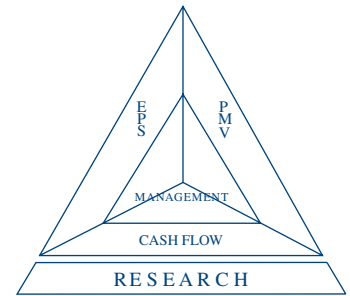
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Net Asset Value per share available daily by calling
800-GABELLI after 7:00 P.M.



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State Street Bank and Trust Company

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Gabelli & Company, Inc.

The Gabelli Value Fund Inc.

This report is submitted for the general information of the shareholders of The Gabelli Value Fund Inc. It is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.

GAB409Q110SR

FIRST QUARTER REPORT
MARCH 31, 2010