

The Gabelli Woodland Small Cap Value Fund

Shareholder Commentary March 31, 2010



Elizabeth M. Lilly, CFA

To Our Shareholders,

The net asset value (“NAV”) per Class AAA Share of The Gabelli Woodland Small Cap Value Fund increased 9.8% for the quarter ended March 31, 2010 versus the Russell 2000 Index, which rose 8.9%.

Comparative Results

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

	<u>Quarter</u>	<u>6 Months</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	Since Inception (12/31/02)
Gabelli Woodland Small Cap Value Fund						
Class AAA	9.77%	12.41%	65.36%	(1.84)%	2.89%	7.18%
Russell 2000 Index	8.85	13.07	62.76	(3.99)	3.36	9.61

In the current prospectus, the gross expense ratio is 3.34%. The net expense ratio is 2.01%, after contractual reimbursements by the Adviser in place through January 31, 2011. Class AAA Shares do not have a sales charge.

(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 dividends 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. Returns would have been lower if the Adviser had not reimbursed expenses of the Fund. 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.*** See page 6 for performance of other classes of shares. Investing in small capitalization securities involves special challenges because these securities may trade less frequently and experience more abrupt price movements than large capitalization securities. The Russell 2000 Index is an unmanaged indicator of stock market performance. You cannot invest directly in an index.

(b) The Fund's fiscal year ends September 30.

COMMENTARY

What an unusual several months it has been. Since the start of 2010, the equity markets have continued to appreciate and on the surface it appears as though the U.S. economy is well on the road to recovery. The patient, the U.S. economy, which was in the Emergency Room on life support, is now breathing on its own in the Intensive Care Unit. The condition of the patient is stable but still needs to be monitored and watched carefully. We believe the real recovery will come only when the U.S. economy gets fully unhooked from life support, the U.S. Government, which may take several years to accomplish.

What continues to trouble us about the United States economy? First, the persistently high unemployment rate and second, the cost of the recent Health Care Reform passed by Congress. Twenty-eight months and counting into the “Great Depression,” the unemployment rate is hovering close to 10%. Over 15 million people are out of work. U6, which measures the unemployed and underemployed, is close to 20%. Almost one in six Americans are unemployed or underemployed. Even more distressing is that the long term jobless, those out of work for twenty-seven weeks or more, jumped to 65 million people and as a share of total jobless, hit a new record of 44.1%. Nearly one out of every two Americans who lost their job is waiting at least a half year to get a new one. Unemployment benefits clearly will tax the U.S. government until job creation resumes and are another example of why the U.S. economy is still very dependent on the U. S. government. Clearly, this large pool of available labor will constrain wage growth and is favorable for inflation trends, but the damage in lost skills and human capital is significant and very discouraging.

Although heralded by the Obama Administration as one of the most significant pieces of legislation ever implemented by any President, what has been lost in the discussion of Health Care Reform is the total cost to our country. The cost of extending health care benefits to 30 million people is estimated to be \$950 billion over the next ten years. How this will get paid for and by whom, inevitably the U.S. taxpayers, is the real issue.

Even though we are concerned about unemployment and the exorbitant cost of the Health Care Reform, there are some encouraging signs on the horizon and we believe that it is possible to generate significant alpha for your portfolio. The most significant sign is the increased level of merger and acquisition activity among companies. Corporations appear to have more confidence today in terms of their willingness to buy another company or entertain an offer to sell their own. This is a dramatic change from a year ago when the debt markets were frozen and companies were not willing to take any risk. Today, the markets have stabilized, companies are starting to be more focused on growth initiatives instead of cost reduction measures, and sellers believe that prices for their assets are more reflective of their true value. So far in 2010, significantly more transactions have occurred with smaller capitalization companies than in years past. We believe the trend of deals will continue through 2010-2011, as acquiring smaller companies is a low risk means of cultivating growth without taking on significant debt. According to Dealogic, 46% of U.S. merger and acquisition activity has occurred in the small cap space versus historical trends of around 30%. In the recent quarter alone, four holdings in the portfolio were the subject of acquisition activity: Brinks Home Security (0.7% of net assets as of March 31, 2010), Home Diagnostics, Plato Learning (1.3%), and BWAY Holdings (0.8%).

Our expectations for a slow recovery and muted economic growth have not changed. There will be continued deleveraging in the financial sector, increased government involvement, and a cautious consumer. Americans are not going to bolster their personal income by borrowing and consumption will grow in line or even less than personal income. Consequently, this “new normal” will probably generate mid single digit returns over the next several years. John Bogle, founder of the Vanguard Group Mutual Fund Company, recently stated that “the 1990s was the golden decade for stocks, the 2000s was the tin decade, and the next ten years will be the bronze decade. Stocks will rise 7%-9% annually over the next ten years, below the historical norm but better than the last ten.”

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 percentage of net assets and their share prices are presented as of March 31, 2010.

Among the best performing stocks this quarter were Home Diagnostics, Kid Brands (1.9% of net assets as of March 31, 2010), and Gaylord Entertainment (2.4%).

Home Diagnostics, Inc. (HDI - \$11.50 - Nasdaq) During the quarter, Home Diagnostics increased 85% as a result of a cash tender by Nipro Corporation for \$11.50 per share. Home Diagnostics is the only public pure play manufacturer of diabetic meters and test kits for blood glucose monitoring. It is a leading private label supplier to the major retail pharmacies as well as health care distributors and mail service providers. Over a year ago we invested in Home Diagnostics for several reasons. First, Home Diagnostics' major capital expenditure program expanding their diabetic test strip capacity was winding down, generating significant free cash flow for the next several years. Second, the company brought in a new CEO, who was focused on growing market share and expanding operating margins. Finally, we believed that as Home Diagnostics gained shares from competitors and demonstrated their power in the market, it would become attractive to a strategic partner. On March 12, 2010 Nipro Corporation, a Japanese based manufacturer and distributor of medical devices, pharmaceutical products, and glass products completed the purchase offer to buy Home Diagnostics for \$11.50 per share.

Kid Brands, Inc. (KID - \$8.65 - NYSE) During the quarter, Kid Brands increased 85%. Kid Brands designs, develops and distributes infant and juvenile branded products. Over the last year Kid Brands, formally known as Russ Berrie, has gone through a transformation under new CEO Bruce Crain. Crain and the management team has divested noncore brands, reduced expenses, and dramatically restructured the business. This quarter, the operating leverage in the company's business model became apparent in their financial results and Wall Street took notice. We expect the company's margins to continue to expand from 9% to 15%, revenue to grow at least 10%, and for cash flow to improve dramatically. As an infant and juvenile products company with strong brands such as LaJobi, Sassy, CoCaLo, and Kids Line, we believe Kid Brands will be successful in executing its strategy or will be attractive to a potential strategic partner.

Gaylord Entertainment Co. (GET - \$29.29 - NYSE) increased 41% during the quarter. Gaylord's primary business is the ownership and operation of four major convention hotels located in Nashville, Orlando, Dallas, and Washington, DC. These four hotels have an average of 1,900 guest rooms and 465,050 square feet of meeting space. Gaylord's operations also include the Grand Ole Opry, one of the most widely recognized country music platforms in the world, and the historic Ryman Auditorium and related assets, which include a 300 foot showboat, eighteen hole PGA golf course, country music saloon, and AM radio station. Over the past eighteen months as the economy has slowed, hotel performances have been impacted considerably and their financial results have suffered. In this past quarter, investors recognized that the low point in the convention and group business cycle had been reached and that Gaylord's financial results would improve going forward.

The portfolio was not without its disappointments and one of them we would like to discuss is ATC Technology (1.0%).

ATC Technology Corp. (ATAC - \$17.16 - Nasdaq) During the quarter, ATC declined 26%. ATC Technology operates in two segments: logistics services for electronic device manufacturers and drivetrain manufacturing for large automotive companies. Through the logistics business, the company offers value through added supply chain services to the wireless, high end consumer electronics, broadband, and cable markets. These services include fulfillment, returns management, reverse logistics, repair, and other related services. Through the drivetrain division, the company provides customized remanufacturing services focused on complex light and medium/heavy duty vehicle drivetrain products, i.e. automatic transmissions.

ATC's business in the short term is being affected by timing issues for new business wins starting up in both the logistics and drivetrain divisions. Additionally, investors are concerned about ATC's customer concentration risk and their exposure to AT&T, which represents approximately 35% of ATC's overall revenue. We believe there is a structural transformation occurring in ATC's business that investors are overlooking. In the longer term, strong growth of logistics segment with high margins and extremely attractive returns on capital is overwhelming the company's low growth, capital intensive drivetrain business. CEO Todd Peters and his management team are very focused on Return on Invested Capital and generating higher return for shareholders going forward. We believe that this focus will eventually lead to ATC disposing of the drivetrain segment and becoming a sole logistics company. This should result in higher returns and a better valuation by the markets as investors fully group the powerful economics of ATC's logistics segment. With over \$4.00 per share in cash and trading at nine times 2010 earnings, we think the valuation is extremely compelling.

The portfolio continues to be constructed with a fundamental bottom up investment approach. We do not have a Fund that will mirror the performance of the Russell 2000. If you analyze the portfolio and look at the types of companies we own, it is an eclectic group. Each individual security makes sense at the current price and not because we resemble an index. What we own are a collection of good businesses that generate free cash flow, operated by what we believe to be honest and talented management teams, and are disciplined in their capital allocation decisions.

We appreciate your loyalty and support during these challenging times and look forward to communicating with you next quarter.

Sincerely,



Elizabeth M. Lilly, CFA
Portfolio Manager

May 1, 2010

Note: The views expressed in this Shareholder Commentary reflect those of the Portfolio Manager only through the end of the period stated in this Shareholder Commentary. The Portfolio Manager's views are subject to change at any time based on market and other conditions. The information in this Portfolio Manager's Shareholder Commentary represents the opinions of the individual Portfolio Manager 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 Manager 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.

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 calendar 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.

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**

Gaylord Entertainment Co. 2.4%	PolyOne Corp. 1.7%
Tier Technologies Inc. 2.3%	Rochester Medical Corp. 1.7%
Kaman Corp. 1.9%	Scholastic Corp. 1.7%
Kid Brands, Inc. 1.9%	Gerber Scientific Inc. 1.6%
PICO Holdings Inc. 1.8%	Northern Oil and Gas Inc. 1.6%

Multi-Class Shares

The Gabelli Woodland Small Cap Value Fund Class AAA Shares are no-load shares offered directly by selected broker/dealers. Class A and Class C Shares are targeted to the needs of investors who seek advice through financial consultants. Class I Shares are available solely to certain institutions which invest directly with the Fund. The minimum initial investment amount for Class I Shares is \$500,000. The Board of Directors determined that expanding the types of Fund shares available through various distribution options will enhance the ability of the Fund to attract additional investors.

Gabelli Woodland Small Cap Value Fund Average Annual Returns – March 31, 2010

	Class AAA Shares	Class A Shares	Class C Shares	Class I Shares
Quarter	9.77%	9.68% 3.37(a)	9.47% 8.47(c)	9.71%
One Year	65.36	65.13 55.63(a)	64.10 63.10	65.68
Three Year	(1.84)	(1.86) (3.83)(a)	(2.56) (2.56)	(1.66)
Five Year	2.89	2.96 1.71(a)	2.16 2.16	3.00
Since Inception (b)	7.18	7.22 6.32(a)	6.45 6.45	7.26
Gross Expense Ratio	3.34	3.34	4.09	3.09
Current Expense Ratio after Adviser Reimbursements	2.01	2.01	2.76	1.76
Maximum Sales Charge	None	5.75	1.00	None
Ticker Symbol	GWSVX	GWSAX	GWSCX	GWSIX

Past performance does not guarantee future results. Total 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. The Adviser reimbursed expenses to limit the expense ratio. Had such limitation not been in place, returns would have been lower. Current performance may be lower or higher than the performance data presented. Visit www.gabelli.com to obtain 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.** Investing in small capitalization securities involves special challenges because these securities may trade less frequently and experience more abrupt price movements than large capitalization securities. The Class AAA Share NAVs per share are used to calculate performance for the periods prior to the issuance of Class I Shares on January 11, 2008. The actual performance of the Class I Shares would have been higher due to lower expenses related to Class I Shares. Expenses are limited by contract through January 31, 2011.

(a) Includes the effect of the maximum 5.75% sales charge at the beginning of the period.

(b) Performance is calculated since inception on December 31, 2002.

(c) Performance results include the deferred sales charge for the Class C Shares upon redemption at the end of the one year period of 1% of the Fund's NAV 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.

GABELLI FAMILY OF FUNDS

VALUE

Gabelli Asset Fund

Seeks to invest primarily in a diversified portfolio of common stocks selling at significant discounts to their private market value. The Fund's primary objective is growth of capital. (Multiclass)

Portfolio Manager: Mario J. Gabelli, CFA

Gabelli Blue Chip Value Fund

Seeks long term growth of capital through investment primarily in the common stocks of established companies which are temporarily out of favor. The fund's objective is to identify a catalyst or sequence of events that will return the company to a higher value. (Multiclass)

Portfolio Manager: Barbara Marcin, CFA

GAMCO Westwood Equity Fund

Seeks to invest primarily in the common stock of well seasoned companies that have recently reported positive earnings surprises and are trading below Westwood's proprietary growth rate estimates. The Fund's primary objective is capital appreciation. (Multiclass)

Portfolio Manager: Susan M. Byrne

FOCUSED VALUE

Gabelli Value Fund

Seeks to invest in securities of companies believed to be undervalued. The Fund's primary objective is long-term capital appreciation. (Multiclass)

Portfolio Manager: Mario J. Gabelli, CFA

SMALL CAP VALUE

Gabelli Small Cap Fund

Seeks to invest primarily in common stock of smaller companies (market capitalizations at the time of investment of \$2 billion or less) believed to have rapid revenue and earnings growth potential. The Fund's primary objective is capital appreciation. (Multiclass)

Portfolio Manager: Mario J. Gabelli, CFA

GAMCO Westwood SmallCap Equity Fund

Seeks to invest primarily in smaller capitalization equity securities – market caps of \$2.5 billion or less. The Fund's primary objective is long-term capital appreciation. (Multiclass)

Portfolio Manager: Nicholas F. Galluccio

Gabelli Woodland Small Cap Value Fund

Seeks to invest primarily in the common stocks of smaller companies (market capitalizations generally less than \$3.0 billion) believed to be undervalued with shareholder oriented management teams that are employing strategies to grow the company's value. The Fund's primary objective is capital appreciation. (Multiclass)

Portfolio Manager: Elizabeth M. Lilly, CFA

GROWTH

GAMCO Growth Fund

Seeks to invest primarily in large cap stocks believed to have favorable, yet undervalued, prospects for earnings growth. The Fund's primary objective is capital appreciation. (Multiclass)

Portfolio Manager: Howard F. Ward, CFA

GAMCO International Growth Fund

Seeks to invest in the equity securities of foreign issuers with long-term capital appreciation potential. The Fund offers investors global diversification. (Multiclass)

Portfolio Manager: Caesar Bryan

AGGRESSIVE GROWTH

GAMCO Global Growth Fund

Seeks capital appreciation through a disciplined investment program focusing on the globalization and interactivity of the world's marketplace. The Fund invests in companies at the forefront of accelerated growth. The Fund's primary objective is capital appreciation. (Multiclass)

Team Managed

MICRO-CAP

GAMCO Westwood Mighty MitesSM Fund

Seeks to invest in micro-cap companies that have market capitalizations of \$300 million or less. The Fund's primary objective is long-term capital appreciation. (Multiclass)

Team Managed

EQUITY INCOME

Gabelli Equity Income Fund

Seeks to invest primarily in equity securities with above average market yields. The Fund pays monthly dividends and seeks a high level of total return with an emphasis on income. (Multiclass)

Portfolio Manager: Mario J. Gabelli, CFA

GAMCO Westwood Balanced Fund

Seeks to invest in a balanced and diversified portfolio of stocks and bonds. The Fund's primary objective is both capital appreciation and current income. (Multiclass)

Co-Portfolio Managers: Susan M. Byrne
Mark Freeman, CFA

GAMCO Westwood Income Fund

Seeks to provide a high level of current income as well as long-term capital appreciation by investing in income producing equity and fixed income securities. (Multiclass)

Portfolio Manager: Barbara Marcin, CFA

SPECIALTY EQUITY

GAMCO Global Convertible Securities Fund

Seeks to invest principally in bonds and preferred stocks which are convertible into common stock of foreign and domestic companies. The Fund's primary objective is total return through a combination of current income and capital appreciation. (Multiclass)

Team Managed

GAMCO Global Opportunity Fund

Seeks to invest in common stock of companies which have rapid growth in revenues and earnings and potential for above average capital appreciation or are undervalued. The Fund's primary objective is capital appreciation. (Multiclass)

Team Managed

Gabelli SRI Green Fund

Seeks to invest in common and preferred stocks meeting guidelines for social responsibility (avoiding defense contractors and manufacturers of alcohol, abortifacients, gaming, and tobacco products) and sustainability (companies engaged in climate change, energy security and independence, natural resource shortages, organic living, and urbanization). The Fund's primary objective is capital appreciation. (Multiclass)

Co-Portfolio Managers: Christopher C. Desmarais
John M. Segrich, CFA

SECTOR

GAMCO Global Telecommunications Fund

Seeks to invest in telecommunications companies throughout the world – targeting undervalued companies with strong earnings and cash flow dynamics. The Fund's primary objective is capital appreciation. (Multiclass)

Team Managed

GAMCO Gold Fund

Seeks to invest in a global portfolio of equity securities of gold mining and related companies. The Fund's objective is long-term capital appreciation. Investment in gold stocks is considered speculative and is affected by a variety of worldwide economic, financial, and political factors. (Multiclass)

Portfolio Manager: Caesar Bryan

Gabelli Utilities Fund

Seeks to provide a high level of total return through a combination of capital appreciation and current income. (Multiclass)

Team Managed

MERGER AND ARBITRAGE

Gabelli ABC Fund

Seeks to invest in securities with attractive opportunities for appreciation or investment income. The Fund's primary objective is total return in various market conditions without excessive risk of capital loss. (No-load)

Portfolio Manager: Mario J. Gabelli, CFA

Gabelli Enterprise Mergers and Acquisitions Fund

Seeks to invest in securities believed to be likely acquisition targets within 12–18 months or in arbitrage transactions of publicly announced mergers or other corporate reorganizations. The Fund's primary objective is capital appreciation. (Multiclass)

Portfolio Manager: Mario J. Gabelli, CFA

CONTRARIAN

GAMCO Mathers Fund

Seeks long-term capital appreciation in various market conditions without excessive risk of capital loss. (No-load)

Portfolio Manager: Henry Van der Eb, CFA

Comstock Capital Value Fund

Seeks capital appreciation and current income. The Fund may use either long or short positions to achieve its objective. (Multiclass)

Portfolio Manager: Martin Weiner, CFA

FIXED INCOME

GAMCO Westwood Intermediate Bond Fund

Seeks to invest in a diversified portfolio of bonds with various maturities. The Fund's primary objective is total return. (Multiclass)

Portfolio Manager: Mark Freeman, CFA

CASH MANAGEMENT-MONEY MARKET

Gabelli U.S. Treasury Money Market Fund

Seeks to invest exclusively in short-term U.S. Treasury securities. The Fund's primary objective is to provide high current income consistent with the preservation of principal and liquidity. (No-load)

Co-Portfolio Managers: Judith A. Raneri
Ronald S. Eaker

An investment in the above Money Market Fund is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any government agency. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Fund.

The Funds may invest in foreign securities which involve risks not ordinarily associated with investments in domestic issues, including currency fluctuation, economic, and political risks.

To receive a prospectus, call **800-GABELLI** (422-3554). 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.

Gabelli Equity Series Funds, Inc.
The Gabelli Woodland Small Cap Value Fund

One Corporate Center
Rye, New York 10580-1422

800-GABELLI

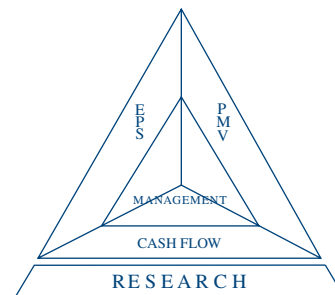
800-422-3554

fax: 914-921-5118

website: www.gabelli.com

e-mail: info@gabelli.com

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



Board of Directors

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Portfolio Manager

Bruce N. Alpert
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Peter D. Goldstein
Chief Compliance Officer

Agnes Mullady
Treasurer

Distributor

Gabelli & Company, Inc.

Custodian, Transfer Agent, and Dividend Agent

State Street Bank and Trust Company

Legal Counsel

Skadden, Arps, Slate, Meagher & Flom LLP

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

GAB840Q110SC

The Gabelli Woodland Small Cap Value Fund

SHAREHOLDER COMMENTARY
MARCH 31, 2010

The Gabelli Woodland Small Cap Value Fund

Semi-Annual Report ^(a)

March 31, 2010



Elizabeth M. Lilly, CFA

To Our Shareholders,

For the quarter ended March 31, 2010, the net asset value (“NAV”) per share of The Gabelli Woodland Small Cap Value Fund’s (the “Fund”) Class AAA Shares rose 9.77% versus increases of 8.85% for the Russell 2000 Index, 5.39% for the Standard & Poor’s (“S&P”) 500 Index, and 8.28% for the Value Line Composite Index.

Comparative Results

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

	Quarter	1 Year	3 Year	5 Year	Since Inception (12/31/02)
Gabelli Woodland Small Cap Value Fund Class AAA . . .	9.77%	65.36%	(1.84)%	2.89%	7.18%
Russell 2000 Index	8.85	62.76	(3.99)	3.36	9.61
Class A	9.68	65.13	(1.86)	2.96	7.22
Class C	3.37(c)	55.63(c)	(3.83)(c)	1.71(c)	6.32(c)
Class I	9.47	64.10	(2.56)	2.16	6.45
	8.47(d)	63.10(d)	(2.56)	2.16	6.45
Class I	9.71	65.68	(1.66)	3.00	7.26

In the current prospectus, the gross expense ratios for Class AAA, A, C, and I Shares are 3.34%, 3.34%, 4.09%, and 3.09%, respectively. The net expense ratios after contractual reimbursements by Gabelli Funds, LLC (the “Adviser”) in place through January 31, 2011 are 2.01%, 2.01%, 2.76%, and 1.76%, respectively. The maximum sales charge for Class A and C Shares is 5.75% and 1.00%, respectively. Class AAA and Class I Shares do not have a sales charge.

(a) The Fund’s fiscal year ends September 30.

(b) **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 AAA Shares NAVs per share are used to calculate performance for the periods prior to the issuance of Class I Shares on January 11, 2008. The actual performance of Class I Shares would have been higher due to lower expenses associated with this class of shares. Investing in small capitalization securities involves special challenges because these securities may trade less frequently and experience more abrupt price movements than large capitalization securities. The Russell 2000 Index of small U.S. companies is an unmanaged indicator of stock market performance. Dividends are considered reinvested. You cannot invest directly in an index.

(c) Includes the effect of the maximum 5.75% sales charge at the beginning of the period.

(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 Woodland Small Cap Value Fund

Disclosure of Fund Expenses (Unaudited)

For the Six Month Period from October 1, 2009 through March 31, 2010

Expense Table

We believe it is important for you to understand the impact of fees and expenses regarding your investment. All mutual funds have operating expenses. As a shareholder of a fund, you incur ongoing costs, which include costs for portfolio management, administrative services, and shareholder reports (like this one), among others. Operating expenses, which are deducted from a fund's gross income, directly reduce the investment return of a fund. When a fund's expenses are expressed as a percentage of its average net assets, this figure is known as the expense ratio. The following examples are intended to help you understand the ongoing costs (in dollars) of investing in your Fund and to compare these costs with those of other mutual funds. The examples are based on an investment of \$1,000 made at the beginning of the period shown and held for the entire period.

The Expense Table below illustrates your Fund's costs in two ways:

Actual Fund Return: This section provides information about actual account values and actual expenses. You may use this section to help you to estimate the actual expenses that you paid over the period after any fee waivers and expense reimbursements. The "Ending Account Value" shown is derived from the Fund's **actual** return during the past six months, and the "Expenses Paid During Period" shows the dollar amount that would have been paid by an investor who started with \$1,000 in the Fund. You may use this information, together with the amount you invested, to estimate the expenses that you paid over the period.

To do so, simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number given for your Fund under the heading "Expenses Paid During Period" to estimate the expenses you paid during this period.

Hypothetical 5% Return: This section provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio. It assumes a hypothetical annualized return of 5% before expenses during the period shown. In this case – because the hypothetical return used is **not** the Fund's actual return – the results do not apply to your investment and you cannot use the hypothetical account value and expense to estimate the actual ending account balance or expenses you paid for the period. This example is useful in making comparisons of the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs such as sales charges (loads), redemption fees, or exchange fees, if any, which are described in the Prospectus. If these costs were applied to your account, your costs would be higher. Therefore, the 5% hypothetical return is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds.

	Beginning Account Value 10/01/09	Ending Account Value 3/31/10	Annualized Expense Ratio	Expenses Paid During Period*
The Gabelli Woodland Small Cap Value Fund				
Actual Fund Return				
Class AAA	\$1,000.00	\$1,124.10	2.01%	\$10.64
Class A	\$1,000.00	\$1,124.40	2.01%	\$10.65
Class C	\$1,000.00	\$1,119.80	2.76%	\$14.59
Class I	\$1,000.00	\$1,126.10	1.76%	\$ 9.33
Hypothetical 5% Return				
Class AAA	\$1,000.00	\$1,014.91	2.01%	\$10.10
Class A	\$1,000.00	\$1,014.91	2.01%	\$10.10
Class C	\$1,000.00	\$1,011.17	2.76%	\$13.84
Class I	\$1,000.00	\$1,016.16	1.76%	\$ 8.85

* Expenses are equal to the Fund's annualized expense ratio for the last six months multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half-year (182 days), then divided by 365.

Summary of Portfolio Holdings (Unaudited)

The following table presents portfolio holdings as a percent of total net assets as of March 31, 2010:

The Gabelli Woodland Small Cap Value Fund

Computer Software and Services	13.4%	Machinery	3.5%
Diversified Industrial	12.2%	Automotive: Parts and Accessories	2.7%
Business Services	10.8%	Publishing	2.7%
Health Care	7.3%	Entertainment	2.5%
Equipment and Supplies	6.3%	Food and Beverage	2.4%
Consumer Products	4.9%	U.S. Government Obligations	2.3%
Financial Services	4.7%	Retail	1.4%
Aerospace	4.3%	Restaurants	1.0%
Energy and Utilities	4.3%	Transportation	1.0%
Specialty Chemicals	3.9%	Airlines	0.9%
Hotels and Gaming	3.8%	Consumer Services	0.7%
Telecommunications	3.6%	Other Assets and Liabilities (Net)	(0.6)%
			<u>100.0%</u>

The Fund files a complete schedule of portfolio holdings with the Securities and Exchange Commission (the "SEC") for the first and third quarters of each fiscal year on Form on Form N-Q, the last of which was filed for the quarter ended December 31, 2009. Shareholders may obtain this information at www.gabelli.com or by calling the Fund at 800-GABELLI (800-422-3554). The Fund's Form N-Q is available on the SEC's website at www.sec.gov and may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.

Proxy Voting

The Fund files Form N-PX with its complete proxy voting record for the twelve months ended June 30th, no later than August 31st of each year. A description of the Fund's proxy voting policies, procedures, and how the Fund voted proxies relating to portfolio securities are available without charge, upon request, by (i) calling 800-GABELLI (800-422-3554); (ii) writing to The Gabelli Funds at One Corporate Center, Rye, NY 10580-1422; or (iii) visiting the SEC's website at www.sec.gov.

The Gabelli Woodland Small Cap Value Fund

Schedule of Investments — March 31, 2010 (Unaudited)

Shares	Cost	Market Value	Shares	Cost	Market Value
COMMON STOCKS — 98.3%			Diversified Industrial — 12.2%		
Aerospace — 4.3%			AEP Industries Inc.† \$ 79,468		
5,300	Herley Industries Inc.† \$ 75,929	\$ 77,698	4,000	Albany International Corp.,	\$ 54,642
5,020	Kaman Corp. 132,222	125,550	Cl. A	89,332	86,120
3,200	Spirit Aerosystems Holdings Inc.,		2,400	Bway Holding Co.†	48,240
	Cl. A† 48,500	74,816	21,000	Digital Ally Inc.†	38,850
		278,064	2,500	FormFactor Inc.†	44,400
			14,000	Graphic Packaging Holding Co.†	50,540
Airlines — 0.9%			5,957	Griffon Corp.†	74,224
14,800	ExpressJet Holdings Inc.† 57,619	55,796	1,600	L.B. Foster Co., Cl. A†	46,224
Automotive: Parts and Accessories — 2.7%			2,900	OSI Systems Inc.†	81,345
3,700	ATC Technology Corp.† 65,909	63,492	2,000	Raven Industries Inc.	58,980
5,000	Federal-Mogul Corp.† 64,620	91,800	12,500	Technitrol Inc.	66,000
2,000	Midas Inc.† 34,392	22,560	1,600	Texas Industries Inc.	54,672
		177,852	8,000	Vishay Intertechnology Inc.† . .	81,840
					786,077
Business Services — 10.8%			Energy and Utilities — 4.3%		
11,700	ACCO Brands Corp.† 82,237	89,622	25,000	Juhl Wind Inc.†	54,500
2,258	Ascent Media Corp., Cl. A† 58,570	61,531	6,500	Northern Oil and Gas Inc.†	103,025
4,890	Deluxe Corp. 77,745	94,964	3,170	PICO Holdings Inc.†	117,892
8,150	Edgewater Technology Inc.† 58,199	26,080			275,417
4,000	Intermec Inc.† 98,702	56,720			
6,000	Liquidity Services Inc.† 43,736	69,240	Entertainment — 2.5%		
15,000	MoneyGram International Inc.† . . . 44,463	57,150	2,885	Discovery Communications Inc.,	
8,800	PRGX Global Inc.† 41,304	51,656	Cl. A†	46,101	97,484
6,933	Safeguard Scientifics Inc.† 53,220	90,129	6,500	Take-Two Interactive	
3,520	The Brink's Co. 90,591	99,370	Software Inc.†	63,637	64,025
		696,462			161,509
			Equipment and Supplies — 6.3%		
Computer Software and Services — 13.4%			4,700	Actuant Corp., Cl. A	91,885
5,500	Dynamics Research Corp.† 49,049	61,985	16,700	Gerber Scientific Inc.†	103,707
2,800	Fair Isaac Corp. 42,306	70,952	2,650	Mine Safety Appliances Co.	74,094
13,410	Lawson Software Inc.† 99,613	88,640	1,930	Powell Industries Inc.†	62,783
4,000	Mercury Computer		1,550	The Toro Co.	76,214
	Systems Inc.† 55,272	54,880			408,683
2,000	MICROS Systems Inc.† 41,540	65,760	Financial Services — 4.7%		
2,340	MTS Systems Corp. 83,850	67,930	1,430	HMN Financial Inc.†	7,865
15,000	PLATO Learning Inc.† 62,099	83,400	7,700	NewAlliance Bancshares Inc. . . .	97,174
10,000	S1 Corp.† 62,888	59,000	11,600	Sanders Morris Harris	
5,500	Schawk Inc. 79,472	99,715	Group Inc.	61,656	71,804
19,000	Tier Technologies Inc., Cl. B† 176,939	151,240	5,600	TCF Financial Corp.	89,264
8,800	TransAct Technologies Inc.† 26,149	64,064	1,204	Willis Group Holdings plc	37,673
		867,566			303,780
Consumer Products — 4.9%			Food and Beverage — 2.4%		
2,270	Alberto-Culver Co. 49,353	59,360	5,500	Constellation Brands Inc.,	
12,000	Alliance One International Inc.† . . . 58,317	61,080	Cl. A†	70,563	90,420
1,085	Church & Dwight Co. Inc. 32,590	72,641	1,100	The J.M. Smucker Co.	66,286
14,000	Kid Brands Inc.† 69,089	121,100			156,706
		314,181			
Consumer Services — 0.7%					
1,020	Brink's Home Security				
	Holdings Inc.† 29,738	43,401			

See accompanying notes to financial statements.

The Gabelli Woodland Small Cap Value Fund

Schedule of Investments (Continued) — March 31, 2010 (Unaudited)

Shares	Cost	Market Value	Principal Amount	Cost	Market Value
COMMON STOCKS (Continued)					
Health Care — 7.3%					
15,200	AtriCure Inc.† \$ 67,977	\$ 89,528	\$149,000	U.S. GOVERNMENT OBLIGATIONS — 2.3%	
1,100	Chemed Corp. 43,216	59,818		U.S. Treasury Bill,	
64,000	Hooper Holmes Inc.† 65,628	55,680		0.091%††, 05/20/10 \$ 148,982	
4,100	Immucor Inc.† 75,134	91,799		TOTAL	
8,740	Rochester Medical Corp.† 104,725	112,047		INVESTMENTS — 100.6% \$5,470,185	
1,480	West Pharmaceutical Services Inc. 60,856	62,086		Other Assets and Liabilities (Net) — (0.6)%	
				NET ASSETS — 100.0% \$6,469,913	
	417,536	470,958			
Hotels and Gaming — 3.8%					
5,370	Gaylord Entertainment Co.† . . . 40,893	157,287			
9,400	Pinnacle Entertainment Inc.† . . . 70,361	91,556			
	111,254	248,843			
Machinery — 3.5%					
4,964	Key Technology Inc.† 52,978	68,255			
3,500	Robbins & Myers Inc. 69,482	83,370			
900	Valmont Industries Inc. 48,651	74,547			
	171,111	226,172			
Publishing — 2.7%					
5,900	Dolan Media Co.† 77,159	64,133			
4,000	Scholastic Corp. 47,550	112,000			
	124,709	176,133			
Restaurants — 1.0%					
8,000	Famous Dave's of America Inc.† 49,700	64,400			
Retail — 1.4%					
800	J. Crew Group Inc.† 9,599	36,720			
3,900	Penske Automotive Group Inc.† 64,036	56,238			
	73,635	92,958			
Specialty Chemicals — 3.9%					
1,260	FMC Corp. 48,289	76,280			
2,850	H.B. Fuller Co. 63,386	66,149			
11,000	PolyOne Corp.† 64,769	112,640			
	176,444	255,069			
Telecommunications — 3.6%					
7,400	HickoryTech Corp. 56,094	65,342			
3,900	j2 Global Communications Inc.† 82,334	91,260			
6,200	MasTec Inc.† 76,308	78,182			
	214,736	234,784			
Transportation — 1.0%					
1,700	Bristow Group Inc.† 45,028	64,141			
	TOTAL COMMON STOCKS 5,321,203	6,358,952			

† Non-income producing security.
†† Represents annualized yield at date of purchase.

See accompanying notes to financial statements.

The Gabelli Woodland Small Cap Value Fund

Statement of Assets and Liabilities March 31, 2010 (Unaudited)

Assets:	
Investments, at value (cost \$5,470,185)	\$ 6,507,934
Receivable for investments sold	123,913
Receivable for Fund shares sold	2,442
Dividends receivable	2,780
Prepaid expenses	<u>23,517</u>
Total Assets	<u>6,660,586</u>
Liabilities:	
Payable to custodian	45,287
Payable for investments purchased	86,778
Payable for Fund shares redeemed	20,615
Payable for investment advisory fees	92
Payable for distribution fees	1,422
Payable for legal and audit fees	16,890
Payable for shareholder communications expenses	11,510
Other accrued expenses	<u>8,079</u>
Total Liabilities	<u>190,673</u>
Net Assets applicable to 729,432 shares outstanding	<u>\$ 6,469,913</u>
Net Assets Consist of:	
Paid-in capital	\$ 6,679,409
Accumulated net investment loss	(42,262)
Accumulated net realized loss on investments ...	(1,204,983)
Net unrealized appreciation on investments	<u>1,037,749</u>
Net Assets	<u>\$ 6,469,913</u>
Shares of Capital Stock:	
Class AAA:	
Net Asset Value, offering, and redemption price per share (\$6,181,436 ÷ 696,037 shares outstanding, at \$0.001 par value; 100,000,000 shares authorized)	<u>\$8.88</u>
Class A:	
Net Asset Value and redemption price per share (\$65,122 ÷ 7,274 shares outstanding, at \$0.001 par value; 50,000,000 shares authorized)	<u>\$8.95</u>
Maximum offering price per share (NAV ÷ 0.9425, based on maximum sales charge of 5.75% of the offering price)	<u>\$9.50</u>
Class C:	
Net Asset Value and offering price per share (\$136,337 ÷ 16,380 shares outstanding, at \$0.001 par value; 50,000,000 shares authorized)	<u>\$8.32(a)</u>
Class I:	
Net Asset Value, offering, and redemption price per share (\$87,018 ÷ 9,741 shares outstanding, at \$0.001 par value; 50,000,000 shares authorized)	<u>\$8.93</u>

(a) Redemption price varies based on the length of time held.

Statement of Operations For the Six Months Ended March 31, 2010 (Unaudited)

Investment Income:	
Dividends	\$ 16,589
Interest	<u>99</u>
Total Investment Income	<u>16,688</u>
Expenses:	
Investment advisory fees	29,197
Distribution fees – Class AAA	6,992
Distribution fees – Class A	71
Distribution fees – Class C	621
Registration expenses	15,367
Shareholder communications expenses	10,653
Legal and audit fees	10,232
Shareholder services fees	5,896
Custodian fees	5,110
Interest expense	171
Directors' fees	93
Miscellaneous expenses	<u>3,124</u>
Total Expenses	<u>87,527</u>
Less:	
Fees waived and expenses reimbursed by Adviser (See Note 3)	<u>(28,577)</u>
Net Expenses	<u>58,950</u>
Net Investment Loss	<u>(42,262)</u>
Net Realized and Unrealized Gain on Investments:	
Net realized gain on investments	299,393
Net change in unrealized appreciation on investments	<u>459,198</u>
Net Realized and Unrealized Gain on Investments	<u>758,591</u>
Net Increase in Net Assets Resulting from Operations	<u>\$716,329</u>

See accompanying notes to financial statements.

The Gabelli Woodland Small Cap Value Fund

Statement of Changes in Net Assets

	Six Months Ended March 31, 2010 (Unaudited)	Year Ended September 30, 2009
Operations:		
Net investment loss	\$ (42,262)	\$ (50,257)
Net realized gain/(loss) on investments	299,393	(1,491,355)
Net change in unrealized appreciation on investments	459,198	509,146
Net Increase/(Decrease) in Net Assets Resulting from Operations	716,329	(1,032,466)
Distributions to Shareholders:		
Net realized gain		
Class AAA	—	(301,983)
Class A	—	(2,225)
Class B	—	(7)
Class C	—	(6,124)
Class I	—	(3,246)
Total Distributions to Shareholders	—	(313,585)
Capital Share Transactions:		
Class AAA	33,936	(556,713)
Class A	7,621	5,845
Class B	(154)*	7
Class C	—	(2,199)
Class I	18,830	(3,163)
Net Increase/(Decrease) in Net Assets from Capital Share Transactions	60,233	(556,223)
Redemption Fees	—	7
Net Increase/(Decrease) in Net Assets	776,562	(1,902,267)
Net Assets:		
Beginning of period	5,693,351	7,595,618
End of period (including undistributed net investment income of \$0 and \$0, respectively)	\$6,469,913	\$ 5,693,351

* Class B Shares were fully redeemed on February 2, 2010.

See accompanying notes to financial statements.

The Gabelli Woodland Small Cap Value Fund

Financial Highlights

Selected data for a share of capital stock outstanding throughout each period:

Period Ended September 30 of	Income from Investment Operations				Distributions			Ratios to Average Net Assets/ Supplemental Data						
	Net Investment Income (Loss)(a)(b)	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Net Investment Income	Net Realized Gain on Investments	Total Distributions	Redemption Fees(a)	Net Asset Value, End of Period	Total Return	Net Assets End of Period (in 1000's)	Net Investment Income (Loss)(b)	Supplements Waivers/ Reimburse-ments(c)(f)(g)	Expenses Before Waivers/ Reimburse-ments(d)(h)	Portfolio Turnover Rate(i)(j)
Class AAA														
2010(e)	\$ 7.90	\$ 1.04	\$ 0.98	—	—	—	—	\$ 8.88	12.41%	\$ 6,182	(1.43)%(g)	2.01%(g)	2.98%(g)	32%
2009	9.30	(0.92)	(0.99)	—	—	—	—	7.90	(8.99)	5,462	(1.04)	2.01	3.34	62
2008	12.61	(1.43)	(1.51)	—	—	—	—	9.30	(3.20)	7,327	(0.80)	2.01	2.52	58
2007	13.35	2.44	2.49	\$(0.06)	—	—	—	12.61	20.71	9,040	0.38	2.01	2.33	51
2006	14.64	0.07	(0.05)	—	—	—	—	13.35	(0.35)	9,137	(0.84)	2.01	2.31	59
2005	12.79	2.69	2.58	—	—	—	—	14.64	20.67	11,839	(0.78)	2.00	2.98	35
Class A														
2010(e)	\$ 7.96	\$ 1.05	\$ 0.99	—	—	—	—	\$ 8.95	12.44%	\$ 65	(1.44)%(g)	2.01%(g)	2.98%(g)	32%
2009	9.37	(0.93)	(1.00)	—	—	—	—	7.96	(9.04)	50	(1.06)	2.01	3.34	62
2008	12.69	(1.44)	(1.52)	—	—	—	—	9.37	(3.19)	51	(0.80)	2.01	2.52	56
2007	13.36	2.39	2.52	\$(0.02)	—	—	—	12.69	20.94	65	1.00	2.01	2.33	51
2006	14.95	0.12	(0.05)	—	—	—	—	13.36	(0.36)	100	(0.68)	2.01	2.31	59
2005	12.79	2.68	2.59	—	—	—	—	14.95	20.76	108	(0.63)	2.00	3.16	35
Class B(h)														
2009	\$ 9.20	\$(0.91)	\$(1.03)	—	—	—	—	\$ 7.76	(9.56)%	\$ 0.1	(1.80)%(g)	2.76%(g)	4.09%(g)	62%
2008	12.60	(1.44)	(1.60)	—	—	—	—	9.20	(14.04)	0.1	(1.68)	2.76	3.07	58
2007	13.37	2.49	2.40	—	—	—	—	12.60	19.73	0.1	(0.68)	2.76	3.07	51
2006	14.77	0.09	(0.16)	—	—	—	—	13.37	(1.19)	0.1	(1.77)	2.76	3.06	59
2005	12.98	2.73	2.52	—	—	—	—	14.77	19.86	0.1	(1.50)	2.75	3.86	35
Class C														
2010(e)	\$ 7.43	\$ 0.97	\$ 0.89	—	—	—	—	\$ 8.32	11.98%	\$ 136	(2.18)%(g)	2.76%(g)	3.73%(g)	32%
2009	8.94	(0.11)	(0.89)	—	—	—	—	7.43	(9.61)	122	(1.78)	2.76	4.09	62
2008	12.16	(1.37)	(1.52)	—	—	—	—	8.94	(3.86)	146	(1.58)	2.76	3.27	58
2007	13.00	2.36	2.33	—	—	—	—	12.16	19.84	295	0.26	2.76	3.08	51
2006	14.39	0.21	(0.15)	—	—	—	—	13.00	(1.11)	425	(1.58)	2.76	3.06	59
2005	12.66	2.66	2.46	—	—	—	—	14.39	19.91	189	(1.46)	2.75	3.86	35
Class I														
2010(e)	\$ 7.93	\$ 1.05	\$ 1.00	—	—	—	—	\$ 8.93	12.61%	\$ 87	(1.18)%(g)	1.76%(g)	2.73%(g)	32%
2009	9.31	(0.92)	(0.97)	—	—	—	—	7.93	(8.76)	59	(0.79)	1.76	3.09	62
2008(i)	9.41	(0.07)	(0.10)	—	—	—	—	9.31	(1.06)	72	(0.44)(g)	1.76(g)	2.27(g)	58

† Total return represents aggregate total return of a hypothetical \$1,000 investment at the beginning of the period and sold at the end of the period including reinvestment of distributions and does not reflect applicable sales charges. Total return for a period of less than one year is not annualized. The ratios include a reduction for custodian fee credits on cash balances maintained with the custodian ("Custodian Fee Credits"). Historically, the ratios reflected operating expenses before the reduction for Custodian Fee Credits. If the ratios did not reflect a reduction for Custodian Fee Credits, the ratios for the year ended September 30, 2005 would have been 2.01% (Class AAA and Class A), 2.75% (Class B), and 2.76% (Class C), respectively. For the years ended September 30, 2008, 2007, and 2006, the effect of the Custodian Fee Credits was minimal. For the six months ended March 31, 2010 and the year ended September 30, 2009, there were no custodian fee credits.

†† The ratios include a reduction for Custodian Fee Credits. Historically, the ratios reflected operating expenses before the reduction for Custodian Fee Credits. If the ratios did not reflect a reduction for Custodian Fee Credits, the ratios for the year ended September 30, 2005 would have been 2.00% (Class AAA), 2.75% (Class A), and 3.87% (Class B and Class C), respectively. For the years ended September 30, 2008, 2007, and 2006, the effect of the Custodian Fee Credits was minimal. For the six months ended March 31, 2010 and the year ended September 30, 2009, there were no custodian fee credits. Effective in 2008, a change in accounting policy was adopted with regard to the calculation of the portfolio turnover rate to include cash proceeds due to mergers. Had this policy been adopted retroactively, the portfolio turnover rate for the years ended September 30, 2007, 2006, and 2005 would have been as shown.

††† The ratios include a reduction for Custodian Fee Credits. Historically, the ratios reflected operating expenses before the reduction for Custodian Fee Credits. If the ratios did not reflect a reduction for Custodian Fee Credits, the ratios for the year ended September 30, 2005 would have been 2.99% (Class AAA), 3.17% (Class A), and 3.87% (Class B and Class C), respectively. For the years ended September 30, 2008, 2007, and 2006, the effect of the Custodian Fee Credits was minimal. For the six months ended March 31, 2010 and the year ended September 30, 2009, there were no custodian fee credits.

†††† Due to the nature of the investment, the portfolio turnover rate for the years ended September 30, 2007, 2006, and 2005 would have been as shown. Per share amounts have been calculated using the average shares outstanding method. Due to capital share activity throughout the year, net investment income per share and the ratio to average net assets are not necessarily correlated among the different classes of shares.

(a) The Fund incurred interest expense during the six months ended March 31, 2010 and the years ended September 30, 2009, 2008, 2007, and 2006. If interest expense had not been incurred, the ratios of operating expenses to average net assets would have been 2.00%, 2.00%, 2.00%, and 2.00% (Class AAA and Class A), 2.75%, 2.75%, 2.75%, and 2.75% (Class B and Class C), 1.75%, 1.75%, and 1.75% (Class I), respectively.

(b) During the period, expenses were voluntarily reduced and/or reimbursed. If such fee reductions and/or reimbursements had not occurred, the ratio would have been as shown. For the six months ended March 31, 2010, unaudited.

(c) Amount represents less than \$0.005 per share. Annualized.

(d) From the commencement of offering Class I Shares on January 11, 2008 through September 30, 2008.

(e) See accompanying notes to financial statements.

The Gabelli Woodland Small Cap Value Fund

Notes to Financial Statements (Unaudited)

1. Organization. The Gabelli Woodland Small Cap Value Fund (the “Fund”) is a series of Gabelli Equity Series Funds, Inc. (the “Corporation”), which was organized on July 25, 1991 as a Maryland corporation. The Fund is a non-diversified open-end management investment company registered under the Investment Company Act of 1940, as amended (the “1940 Act”), and one of three separately managed portfolios (collectively, the “Portfolios”) of the Corporation. The Fund’s primary objective is capital appreciation. The Fund’s Adviser currently characterizes small capitalization companies for the Fund as those with a total market value at the time of investment not greater than that of the largest company in the Russell 2000 Index or \$3.0 billion, whichever is less. The Fund commenced investment operations on December 31, 2002.

2. Significant Accounting Policies. The Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) has become the exclusive reference of authoritative United States of America (“U.S.”) generally accepted accounting principles (“GAAP”) recognized by the FASB to be applied by nongovernmental entities. Rules and interpretive releases of the SEC under authority of federal laws are also sources of authoritative GAAP for SEC registrants. The ASC has superseded all existing non-SEC accounting and reporting standards. The Fund’s financial statements are prepared in accordance with GAAP, which may require the use of management estimates and assumptions. Actual results could differ from those estimates. The following is a summary of significant accounting policies followed by the Fund in the preparation of its financial statements.

Security Valuation. Portfolio securities listed or traded on a nationally recognized securities exchange or traded in the U.S. 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 the 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.

Securities and assets for which market quotations are not readily available are fair valued as determined by the Board. Fair valuation methodologies and procedures may include, but are not limited to: analysis and review of available financial and non-financial information about the company; comparisons with the valuation and changes in valuation of similar securities, including a comparison of foreign securities with the equivalent U.S. dollar value American Depositary Receipt securities at the close of the U.S. exchange; and evaluation of any other information that could be indicative of the value of the security.

The Gabelli Woodland Small Cap Value Fund

Notes to Financial Statements (Continued) (Unaudited)

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 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:

<u>Valuation Inputs</u>	<u>Investments in Securities (Market Value) Assets</u>
Level 1 – Quoted Prices*	\$6,358,952
Level 2 – Other Significant Observable Inputs*	148,982
Total	<u>\$6,507,934</u>

* Portfolio holdings designated in Level 1 and Level 2 are disclosed individually in the Schedule of Investments ("SOI"). Level 2 consists of U.S. Government Obligations. Please refer to the SOI for the industry classifications of these portfolio holdings.

There were no Level 3 investments held at March 31, 2010 or September 30, 2009.

Repurchase Agreements. The Fund may enter into repurchase agreements with primary government securities dealers recognized by the Federal Reserve Board, with member banks of the Federal Reserve System, or with other brokers or dealers that meet credit guidelines established by the Adviser and reviewed by the Board. Under the terms of a typical repurchase agreement, the Fund takes possession of an underlying debt obligation subject to an obligation of the seller to repurchase, and the Fund to resell, the obligation at an agreed-upon price and time, thereby determining the yield during the Fund's holding period. It is the policy of the Fund to receive and maintain securities as collateral whose market value is at least equal to the dollar amount invested by the Fund in each agreement. The Fund will make payment for such securities only upon physical delivery or upon evidence of book entry transfer of the collateral to the account of the custodian. To the extent that any repurchase transaction exceeds one business day, the value of the collateral is marked-to-market on a daily basis to maintain the adequacy of the collateral. If the seller defaults and the value of the collateral declines or if bankruptcy proceedings are commenced with respect to the seller of the security, realization of the collateral by the Fund may be delayed or limited. At March 31, 2010, there were no open repurchase agreements.

Foreign Securities. The Fund may directly purchase securities of foreign issuers. Investing in securities of foreign issuers involves special risks not typically associated with investing in securities of U.S. issuers. The risks include possible revaluation of currencies, the inability to repatriate funds, less complete financial information about companies, and possible future adverse political and economic developments. Moreover,

The Gabelli Woodland Small Cap Value Fund

Notes to Financial Statements (Continued) (Unaudited)

securities of many foreign issuers and their markets may be less liquid and their prices more volatile than those of securities of comparable U.S. issuers.

Foreign Taxes. The Fund may be subject to foreign taxes on income, gains on investments, or currency repatriation, a portion of which may be recoverable. The Fund will accrue such taxes and recoveries as applicable, based upon its current interpretation of tax rules and regulations that exist in the markets in which it invests.

Securities Transactions and Investment Income. Securities transactions are accounted for on the trade date with realized gain or loss on investments determined by using the identified cost method. Interest income (including amortization of premium and accretion of discount) is recorded on the accrual basis. Premiums and discounts on debt securities are amortized using the effective yield to maturity method. Dividend income is recorded on the ex-dividend date except for certain dividends which are recorded as soon as the Fund is informed of the dividend.

Determination of Net Asset Value and Calculation of Expenses. Certain administrative expenses are common to, and allocated among, various affiliated funds. Such allocations are made on the basis of each fund's average net assets or other criteria directly affecting the expenses as determined by the Adviser pursuant to procedures established by the Board.

In calculating the NAV per share of each class, investment income, realized and unrealized gains and losses, redemption fees, and expenses other than class specific expenses are allocated daily to each class of shares based upon the proportion of net assets of each class at the beginning of each day. Distribution expenses are borne solely by the class incurring the expense.

Custodian Fee Credits and Interest Expense. When cash balances are maintained in the custody account, the Fund receives credits which are used to offset custodian fees. The gross expenses paid under the custody arrangement are included in custodian fees in the Statement of Operations with the corresponding expense offset, if any, shown as "custodian fee credits." When cash balances are overdrawn, the Fund is charged an overdraft fee equal to 2.00% above the federal funds rate on outstanding balances. This amount, if any, would be included in "interest expense" in the Statement of Operations.

Distributions to Shareholders. Distributions to shareholders are recorded on the ex-dividend date. Distributions to shareholders are based on income and capital gains as determined in accordance with federal income tax regulations, which may differ from income and capital gains as determined under U.S. generally accepted accounting principles. These differences are primarily due to differing treatments of income and gains on various investment securities held by the Fund, timing differences, and differing characterizations of distributions made by the Fund. These book/tax differences are either temporary or permanent in nature. To the extent these differences are permanent, adjustments are made to the appropriate capital accounts in the period when the differences arise. These reclassifications have no impact on the NAV of the Fund.

The tax character of distributions paid during the year ended September 30, 2009 was as follows:

Distributions paid from:	
Net long-term capital gains	\$313,533
Return of capital	52
Total distributions paid	<u>\$313,585</u>

The Gabelli Woodland Small Cap Value Fund

Notes to Financial Statements (Continued) (Unaudited)

Provision for Income Taxes. The Fund intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended (the “Code”). It is the policy of the Fund to comply with the requirements of the Code applicable to regulated investment companies and to distribute substantially all of its net investment company taxable income and net capital gains. Therefore, no provision for federal income taxes is required.

At September 30, 2009, the Fund had net capital loss carryforwards for federal income tax purposes of \$279,715, which are available to reduce future required distributions of net capital gains to shareholders through 2017.

Under the current tax law, capital losses related to securities and foreign currency realized after October 31 and prior to the Fund’s fiscal year end may be treated as occurring on the first day of the following year. For the year ended September 30, 2009, the Fund deferred capital losses of \$1,211,435.

The following summarizes the tax cost of investments and the related net unrealized appreciation at March 31, 2010:

	<u>Cost</u>	<u>Gross Unrealized Appreciation</u>	<u>Gross Unrealized Depreciation</u>	<u>Net Unrealized Appreciation</u>
Investments	\$5,477,199	\$1,328,899	\$(298,164)	\$1,030,735

The Fund is required to evaluate tax positions taken or expected to be taken in the course of preparing the Fund’s tax returns to determine whether the tax positions are “more-likely-than-not” of being sustained by the applicable tax authority. Income tax and related interest and penalties would be recognized by the Fund as tax expense in the Statement of Operations if the tax positions were deemed not to meet the more-likely-than-not threshold. For the six months ended March 31, 2010, the Fund did not incur any income tax, interest, or penalties. As of March 31, 2010, the Adviser has reviewed all open tax years and concluded that there was no impact to the Fund’s net assets or results of operations. Tax years ended September 30, 2007 through September 30, 2009 remain subject to examination by the Internal Revenue Service and state taxing authorities. On an ongoing basis, the Adviser will monitor the Fund’s tax positions to determine if adjustments to this conclusion are necessary.

3. Investment Advisory Agreement and Other Transactions. The Fund has entered into an investment advisory agreement (the “Advisory Agreement”) with the Adviser which provides that the Fund will pay the Adviser a fee, computed daily and paid monthly, at the annual rate of 1.00% of the value of its average daily net assets. In accordance with the Advisory Agreement, the Adviser provides a continuous investment program for the Fund’s portfolio, oversees the administration of all aspects of the Fund’s business and affairs, and pays the compensation of all Officers and Directors of the Fund who are affiliated persons of the Adviser.

The Adviser has contractually agreed to waive its fees and reimburse expenses of the Fund to the extent necessary to maintain the annualized total operating expenses (exclusive of brokerage fees, interest, taxes, and extraordinary expenses) at 2.00%, 2.00%, 2.75%, and 1.75% of the value of the Fund’s average daily net assets for Class AAA, Class A, Class C, and Class I Shares, respectively, through January 31, 2011. For the six months ended March 31, 2010, the Adviser reimbursed the Fund in the amount of \$28,577. The Fund is obliged to repay the Adviser for a period of two years following the year in which the Adviser reimbursed the

The Gabelli Woodland Small Cap Value Fund

Notes to Financial Statements (Continued) (Unaudited)

Fund only to the extent that the operating expenses of the Fund fall below the applicable expense limitations. At March 31, 2010, the cumulative amount which the Fund may repay the Adviser is \$133,224:

For the year ended September 30, 2008, expiring September 30, 2010	\$ 41,151
For the year ended September 30, 2009, expiring September 30, 2011	63,496
For the six months ended March 31, 2010, expiring September 30, 2012	<u>28,577</u>
	<u>\$133,224</u>

The Corporation pays each Director who is not considered an affiliated person an annual retainer of \$9,000 plus \$1,000 for each Board meeting attended. Each Director is reimbursed by the Corporation for any out of pocket expenses incurred in attending meetings. All Board committee members receive \$500 per meeting attended and the Chairman of the Audit Committee and the Lead Director each receive an annual fee of \$1,000. A Director may receive a single meeting fee, allocated among the participating funds, for participation in certain meetings held on behalf of multiple funds. Directors who are directors or employees of the Adviser or an affiliated company receive no compensation or expense reimbursement from the Corporation.

4. Distribution Plan. The Fund's Board has adopted a distribution plan (the "Plan") for each class of shares, except for Class I Shares, pursuant to Rule 12b-1 under the 1940 Act. Gabelli & Company, Inc. ("Gabelli & Co."), an affiliate of the Adviser, serves as Distributor of the Fund. Under the Class AAA, Class A, and Class C Share Plans, payments are authorized to Gabelli & Co. at annual rates of 0.25%, 0.25%, and 1.00%, respectively, of the average daily net assets of those classes, the annual limitations under each Plan. Such payments are accrued daily and paid monthly.

5. Portfolio Securities. Purchases and sales of securities for the six months ended March 31, 2010, other than short-term securities and U.S. Government obligations, aggregated \$1,781,707 and \$1,795,836, respectively.

6. Transactions with Affiliates. During the six months ended March 31, 2010, Gabelli & Co. informed the Fund that it retained \$59 from investors representing commissions (sales charges and underwriting fees) on sales and redemptions of Fund shares.

7. Line of Credit. The Fund participates in an unsecured line of credit of up to \$75,000,000 under which it may borrow up to 10% of its net assets from the custodian for temporary borrowing purposes. Borrowings under this arrangement bear interest at the higher of the sum of the overnight LIBOR plus 100 basis points or the sum of the federal funds rate plus 100 basis points at the time of borrowing. This amount, if any, would be included in "interest expense" in the Statement of Operations. During the six months ended March 31, 2010, there were no borrowings under the line of credit.

8. Capital Stock. The Fund offers four classes of shares – Class AAA Shares, Class A Shares, Class C Shares, and Class I Shares. Class AAA Shares are offered without a sales charge only to investors who acquire them directly from Gabelli & Co., through selected broker/dealers, or the transfer agent. Class I Shares are offered through Gabelli & Co. and selected broker/dealers to foundations, endowments, institutions, and employee benefit plans without a sales charge. Class A Shares are subject to a maximum front-end sales charge of 5.75%. Class B Shares were fully redeemed on February 2, 2010. The applicable CDSC is equal to a declining percentage of the lesser of the NAV per share at the date of the original purchase or at the date of redemption, based on the length of time held. Class C Shares are subject to a 1.00% CDSC for one year after purchase. Class I Shares were first issued on January 11, 2008.

The Gabelli Woodland Small Cap Value Fund

Notes to Financial Statements (Continued) (Unaudited)

The Fund imposes a redemption fee of 2.00% on all classes of shares that are redeemed or exchanged on or before the seventh day after the date of a purchase. The redemption fee is deducted from the proceeds otherwise payable to the redeeming shareholders and is retained by the Fund. The redemption fees retained by the Fund during the year ended September 30, 2009 amounted to \$7. For the six months ended March 31, 2010 there were no redemption fees retained.

The redemption fee does not apply to redemptions of shares where (i) the shares were purchased through automatic reinvestment of distributions, (ii) the redemption was initiated by the Fund, (iii) the shares were purchased through programs that collect the redemption fee at the program level and remit them to the Fund, or (iv) the shares were purchased through programs that the Adviser determines to have appropriate anti-short-term trading policies in place or as to which the Adviser has received assurances that look-through redemption fee procedures or effective anti-short-term trading policies and procedures are in place.

Transactions in shares of capital stock were as follows:

	Six Months Ended March 31, 2010 (Unaudited)		Year Ended September 30, 2009	
	Shares	Amount	Shares	Amount
Class AAA				
Shares sold	35,788	\$ 292,565	157,059	\$ 959,441
Shares issued upon reinvestment of distributions	—	—	50,701	290,012
Shares redeemed	(31,374)	(258,629)	(304,082)	(1,806,166)
Net increase/(decrease)	<u>4,414</u>	<u>\$ 33,936</u>	<u>(96,322)</u>	<u>\$ (556,713)</u>
Class A				
Shares sold	970	\$ 7,621	463	\$ 3,620
Shares issued upon reinvestment of distributions	—	—	386	2,225
Net increase	<u>970</u>	<u>\$ 7,621</u>	<u>849</u>	<u>\$ 5,845</u>
Class B*				
Shares issued upon reinvestment of distributions	—	—	2	\$ 7
Shares redeemed	(19)	\$ (154)	—	—
Net increase/(decrease)	<u>(19)</u>	<u>\$ (154)</u>	<u>2</u>	<u>\$ 7</u>
Class C				
Shares sold	—	—	9,388	\$ 50,275
Shares issued upon reinvestment of distributions	—	—	1,132	6,124
Shares redeemed	—	—	(10,624)	(58,598)
Net decrease	<u>—</u>	<u>—</u>	<u>(104)</u>	<u>\$ (2,199)</u>
Class I				
Shares sold	2,814	\$ 23,431	4,217	\$ 27,230
Shares issued upon reinvestment of distributions	—	—	567	3,246
Shares redeemed	(553)	(4,601)	(5,044)	(33,639)
Net increase/(decrease)	<u>2,261</u>	<u>\$ 18,830</u>	<u>(260)</u>	<u>\$ (3,163)</u>

*Class B Shares were fully redeemed on February 2, 2010.

9. Indemnifications. The Fund enters into contracts that contain a variety of indemnifications. The Fund's maximum exposure under these arrangements is unknown. However, the Fund has not had prior claims or losses pursuant to these contracts and expects the risk of loss to be remote.

The Gabelli Woodland Small Cap Value Fund

Notes to Financial Statements (Continued) (Unaudited)

10. Other Matters. On April 24, 2008, the Adviser entered into an administrative settlement with the SEC to resolve the SEC's inquiry regarding prior frequent trading activity in shares of the GAMCO Global Growth Fund (the "Global Growth Fund") by one investor who was banned from the Global Growth Fund in August 2002. In the settlement, the SEC found that the Adviser had violated Section 206(2) of the Investment Advisers Act, Section 17(d) of the 1940 Act, and Rule 17d-1 thereunder, and had aided and abetted and caused violations of Section 12(d)(1)(B)(i) of the 1940 Act. Under the terms of the settlement, the Adviser, while neither admitting nor denying the SEC's findings and allegations, agreed, among other things, to pay the previously reserved total of \$16 million (including a \$5 million penalty), of which at least \$11 million will be distributed to shareholders of the Global Growth Fund in accordance with a plan developed by an independent distribution consultant and approved by the independent directors of the Global Growth Fund and the staff of the SEC, and to cease and desist from future violations of the above referenced federal securities laws. The settlement will not have a material adverse impact on the Adviser or its ability to fulfill its obligations under the Advisory Agreement. On the same day, the SEC filed a civil action against the Executive Vice President and Chief Operating Officer of the Adviser, alleging violations of certain federal securities laws arising from the same matter. The officer is also an officer of the Global Growth Fund and other funds in the Gabelli/GAMCO fund complex including the Fund. The officer denies the allegations and is continuing in his positions with the Adviser and the funds. The Adviser currently expects that any resolution of the action against the officer will not have a material adverse impact on the Fund or the Adviser or its ability to fulfill its obligations under the Advisory Agreement.

11. Subsequent Events. Management has evaluated the impact on the Fund of all subsequent events through the date the financial statements were issued and has determined that there were no subsequent events requiring recognition or disclosure in the financial statements.

The Gabelli Woodland Small Cap Value Fund

Board Consideration and Re-Approval of Advisory Agreement (Unaudited)

During the six months ended March 31, 2010, the Board of Directors of the Corporation approved the continuation of the investment advisory agreement with the Adviser for the Fund on the basis of the recommendation by the directors (the “Independent Board Members”) who are not “interested persons” of the Fund. The following paragraphs summarize the material information and factors considered by the Independent Board Members as well as their conclusions relative to such factors.

Nature, Extent, and Quality of Services. The Independent Board Members considered information regarding the portfolio manager, the depth of the analyst pool available to the Adviser and the portfolio manager, the scope of administrative, shareholder, and other services supervised or provided by the Adviser, and the absence of significant service problems reported to the Board. The Independent Board Members noted the experience, length of service, and reputation of the portfolio manager.

Investment Performance. The Independent Board Members reviewed the performance of the Fund over various periods against a peer group of small cap value and core funds. The Independent Board Members noted that the Fund’s performance was in the third quartile for the one, three, and five year periods. The Independent Board Members also noted that the Fund’s performance had improved relative to its peers over time.

Profitability. The Independent Board Members reviewed summary data regarding the lack of profitability of the Fund to the Adviser both with an administrative overhead charge and without such a charge. The Independent Board Members also noted that an affiliated broker of the Adviser received distribution fees and minor amounts of sales commissions and that the Adviser received a moderate level of soft dollar research benefits through the Fund’s portfolio brokerage.

Economies of Scale. The Independent Board Members discussed the major elements of the Adviser’s cost structure and the relationship of those elements to potential economies of scale. The Independent Board Members agreed that economies of scale were not an issue for this small and slow growing Fund that has been unprofitable to the Adviser.

Sharing of Economies of Scale. The Independent Board Members noted that the investment management fee schedule for the Fund does not take into account any potential economies of scale that may develop or any losses or diminished profitability to the Adviser in prior years.

Service and Cost Comparisons. The Independent Board Members compared the expense ratios of the investment management fee, other expenses, and total expenses of the Fund with similar expense ratios of the peer group of small cap value and core funds and noted that the Adviser’s management fee includes substantially all administrative services of the Fund as well as investment advisory services. The Independent Board Members noted that the Fund’s expense ratios after waivers were above and the Fund’s size was far below average within this group and that the Adviser had been waiving substantial portions of its fees in order to make the Fund a more attractive investment. The Independent Board Members also noted that the management fee structure before waivers was the same as that in effect for most of the Gabelli funds. The Independent Board Members did not compare the management fee with the fee for other types of accounts managed by the Adviser.

Conclusions. The Independent Board Members concluded that the Fund enjoyed highly experienced portfolio management services, good ancillary services, and an improving performance record during its limited life. The Independent Board Members also concluded that the Fund’s expense ratios were reasonable in light of the lack of profitability to the Adviser of managing the Fund, and that economies of scale were not a factor in their thinking at this time. The Independent Board Members did not view the potential profitability of ancillary services as material to their decision. On the basis of the foregoing and without assigning particular weight to any single conclusion, the Independent Board Members determined to recommend continuation of the investment management agreement to the full Board.

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Gabelli/GAMCO Funds and Your Personal Privacy

Who are we?

The Gabelli/GAMCO Funds are investment companies registered with the Securities and Exchange Commission under the Investment Company Act of 1940. We are managed by Gabelli Funds, LLC or Teton Advisors, Inc., which are affiliated with GAMCO Investors, Inc. GAMCO Investors, Inc. is a publicly held company that has subsidiaries that provide investment advisory or brokerage services for a variety of clients. Teton Advisors, Inc. is a publicly held company that provides investment advisory services to the GAMCO Westwood Funds.

What kind of non-public information do we collect about you if you become a shareholder?

If you apply to open an account directly with us, you will be giving us some non-public information about yourself. The non-public information we collect about you is:

- *Information you give us on your application form.* This could include your name, address, telephone number, social security number, bank account number, and other information.
- *Information about your transactions with us, any transactions with our affiliates, and transactions with the entities we hire to provide services to you.* This would include information about the shares that you buy or redeem. If we hire someone else to provide services—like a transfer agent—we will also have information about the transactions that you conduct through them.

What information do we disclose and to whom do we disclose it?

We do not disclose any non-public personal information about our customers or former customers to anyone other than our affiliates, our service providers who need to know such information, and as otherwise permitted by law. If you want to find out what the law permits, you can read the privacy rules adopted by the Securities and Exchange Commission. They are in volume 17 of the Code of Federal Regulations, Part 248. The Commission often posts information about its regulations on its website, www.sec.gov.

What do we do to protect your personal information?

We restrict access to non-public personal information about you to the people who need to know that information in order to provide services to you or the Fund and to ensure that we are complying with the laws governing the securities business. We maintain physical, electronic, and procedural safeguards to keep your personal information confidential.

GABELLI FAMILY OF FUNDS

VALUE

Gabelli Asset Fund

Seeks to invest primarily in a diversified portfolio of common stocks selling at significant discounts to their private market value. The Fund's primary objective is growth of capital. (Multiclass)

Portfolio Manager: Mario J. Gabelli, CFA

Gabelli Blue Chip Value Fund

Seeks long term growth of capital through investment primarily in the common stocks of established companies which are temporarily out of favor. The fund's objective is to identify a catalyst or sequence of events that will return the company to a higher value. (Multiclass)

Portfolio Manager: Barbara Marcin, CFA

GAMCO Westwood Equity Fund

Seeks to invest primarily in the common stock of well seasoned companies that have recently reported positive earnings surprises and are trading below Westwood's proprietary growth rate estimates. The Fund's primary objective is capital appreciation. (Multiclass)

Portfolio Manager: Susan M. Byrne

FOCUSED VALUE

Gabelli Value Fund

Seeks to invest in securities of companies believed to be undervalued. The Fund's primary objective is long-term capital appreciation. (Multiclass)

Portfolio Manager: Mario J. Gabelli, CFA

SMALL CAP VALUE

Gabelli Small Cap Fund

Seeks to invest primarily in common stock of smaller companies (market capitalizations at the time of investment of \$2 billion or less) believed to have rapid revenue and earnings growth potential. The Fund's primary objective is capital appreciation. (Multiclass)

Portfolio Manager: Mario J. Gabelli, CFA

GAMCO Westwood SmallCap Equity Fund

Seeks to invest primarily in smaller capitalization equity securities – market caps of \$2.5 billion or less. The Fund's primary objective is long-term capital appreciation. (Multiclass)

Portfolio Manager: Nicholas F. Galluccio

Gabelli Woodland Small Cap Value Fund

Seeks to invest primarily in the common stocks of smaller companies (market capitalizations generally less than \$3.0 billion) believed to be undervalued with shareholder oriented management teams that are employing strategies to grow the company's value. The Fund's primary objective is capital appreciation. (Multiclass)

Portfolio Manager: Elizabeth M. Lilly, CFA

GROWTH

GAMCO Growth Fund

Seeks to invest primarily in large cap stocks believed to have favorable, yet undervalued, prospects for earnings growth. The Fund's primary objective is capital appreciation. (Multiclass)

Portfolio Manager: Howard F. Ward, CFA

GAMCO International Growth Fund

Seeks to invest in the equity securities of foreign issuers with long-term capital appreciation potential. The Fund offers investors global diversification. (Multiclass)

Portfolio Manager: Caesar Bryan

AGGRESSIVE GROWTH

GAMCO Global Growth Fund

Seeks capital appreciation through a disciplined investment program focusing on the globalization and interactivity of the world's marketplace. The Fund invests in companies at the forefront of accelerated growth. The Fund's primary objective is capital appreciation. (Multiclass)

Team Managed

MICRO-CAP

GAMCO Westwood Mighty MitesSM Fund

Seeks to invest in micro-cap companies that have market capitalizations of \$300 million or less. The Fund's primary objective is long-term capital appreciation. (Multiclass)

Team Managed

EQUITY INCOME

Gabelli Equity Income Fund

Seeks to invest primarily in equity securities with above average market yields. The Fund pays monthly dividends and seeks a high level of total return with an emphasis on income. (Multiclass)

Portfolio Manager: Mario J. Gabelli, CFA

GAMCO Westwood Balanced Fund

Seeks to invest in a balanced and diversified portfolio of stocks and bonds. The Fund's primary objective is both capital appreciation and current income. (Multiclass)

Co-Portfolio Managers: Susan M. Byrne
Mark Freeman, CFA

GAMCO Westwood Income Fund

Seeks to provide a high level of current income as well as long-term capital appreciation by investing in income producing equity and fixed income securities. (Multiclass)

Portfolio Manager: Barbara Marcin, CFA

SPECIALTY EQUITY

GAMCO Global Convertible Securities Fund

Seeks to invest principally in bonds and preferred stocks which are convertible into common stock of foreign and domestic companies. The Fund's primary objective is total return through a combination of current income and capital appreciation. (Multiclass)

Team Managed

GAMCO Global Opportunity Fund

Seeks to invest in common stock of companies which have rapid growth in revenues and earnings and potential for above average capital appreciation or are undervalued. The Fund's primary objective is capital appreciation. (Multiclass)

Team Managed

Gabelli SRI Green Fund

Seeks to invest in common and preferred stocks meeting guidelines for social responsibility (avoiding defense contractors and manufacturers of alcohol, abortifacients, gaming, and tobacco products) and sustainability (companies engaged in climate change, energy security and independence, natural resource shortages, organic living, and urbanization). The Fund's primary objective is capital appreciation. (Multiclass)

Co-Portfolio Managers: Christopher C. Desmarais
John M. Segrich, CFA

SECTOR

GAMCO Global Telecommunications Fund

Seeks to invest in telecommunications companies throughout the world – targeting undervalued companies with strong earnings and cash flow dynamics. The Fund's primary objective is capital appreciation. (Multiclass)

Team Managed

GAMCO Gold Fund

Seeks to invest in a global portfolio of equity securities of gold mining and related companies. The Fund's objective is long-term capital appreciation. Investment in gold stocks is considered speculative and is affected by a variety of worldwide economic, financial, and political factors. (Multiclass)

Portfolio Manager: Caesar Bryan

Gabelli Utilities Fund

Seeks to provide a high level of total return through a combination of capital appreciation and current income. (Multiclass)

Team Managed

MERGER AND ARBITRAGE

Gabelli ABC Fund

Seeks to invest in securities with attractive opportunities for appreciation or investment income. The Fund's primary objective is total return in various market conditions without excessive risk of capital loss. (No-load)

Portfolio Manager: Mario J. Gabelli, CFA

Gabelli Enterprise Mergers and Acquisitions Fund

Seeks to invest in securities believed to be likely acquisition targets within 12–18 months or in arbitrage transactions of publicly announced mergers or other corporate reorganizations. The Fund's primary objective is capital appreciation. (Multiclass)

Portfolio Manager: Mario J. Gabelli, CFA

CONTRARIAN

GAMCO Mathers Fund

Seeks long-term capital appreciation in various market conditions without excessive risk of capital loss. (No-load)

Portfolio Manager: Henry Van der Eb, CFA

Comstock Capital Value Fund

Seeks capital appreciation and current income. The Fund may use either long or short positions to achieve its objective. (Multiclass)

Portfolio Manager: Martin Weiner, CFA

FIXED INCOME

GAMCO Westwood Intermediate Bond Fund

Seeks to invest in a diversified portfolio of bonds with various maturities. The Fund's primary objective is total return. (Multiclass)

Portfolio Manager: Mark Freeman, CFA

CASH MANAGEMENT-MONEY MARKET

Gabelli U.S. Treasury Money Market Fund

Seeks to invest exclusively in short-term U.S. Treasury securities. The Fund's primary objective is to provide high current income consistent with the preservation of principal and liquidity. (No-load)

Co-Portfolio Managers: Judith A. Raneri
Ronald S. Eaker

An investment in the above Money Market Fund is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any government agency. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Fund.

The Funds may invest in foreign securities which involve risks not ordinarily associated with investments in domestic issues, including currency fluctuation, economic, and political risks.

To receive a prospectus, call **800-GABELLI** (422-3554). 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.

Gabelli Equity Series Funds, Inc.
The Gabelli Woodland Small Cap Value Fund

One Corporate Center
Rye, New York 10580-1422

800-GABELLI

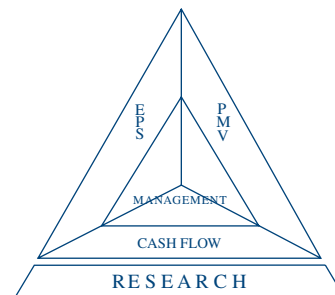
800-422-3554

fax: 914-921-5118

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e-mail: info@gabelli.com

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



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

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**SEMI ANNUAL REPORT
MARCH 31, 2010**