

The Gabelli Small Cap Growth Fund

Shareholder Commentary – September 30, 2014



Morningstar® rated The Gabelli Small Cap Growth Fund Class AAA Shares 4 stars overall, 3 stars for the three year period, 4 stars for the five year period, and 5 stars for the ten year period ended September 30, 2014 among 616, 616, 563, and 351 Small Blend funds, respectively. Morningstar Rating™ is based on risk-adjusted returns.



Mario J. Gabelli, CFA
Portfolio Manager

To Our Shareholders,

For the quarter ended September 30, 2014, the net asset value (“NAV”) per Class AAA Share of The Gabelli Small Cap Growth Fund decreased 6.5% compared with a decrease of 7.4% for the Russell 2000 Index. See page 2 for additional performance information.

Market Commentary

The third quarter saw a return of volatility to financial markets, starting with a decline in July, as macroeconomic factors, including conflict in Ukraine and Israel, a slowdown in emerging market growth, and Argentinian debt default on the last day of the month all weighed on the market. Markets rebounded sharply in August, as mostly positive second quarter earnings reports were coupled with dovish comments from Federal Reserve Chair Janet Yellen, who at the annual Federal Reserve meeting in Jackson Hole, reiterated, “that it likely will be appropriate to maintain the current target range for the federal funds rate for a considerable time after our current asset purchase program ends.” In other words, rates are likely to remain low for some time. With the backdrop of a slowly improving economy and continued accommodative Fed policy, the S&P 500 hit an all-time high on September 19.

Towards the end of the month, however, markets began factoring in the possibility of a recession in Europe, a worse than expected emerging markets slowdown, the negative impact of foreign currencies on overseas earnings (especially in the Eurozone), concerns about the impact of communicable diseases on travel and leisure industries, and continued conflict around the globe, whether in Ukraine, Iraq, Syria, or elsewhere.

In volatile times, we believe it is important to reiterate that, as value investors, we seek for “Mr. Market” to serve us, rather than inform us about the value of a company. We continue to use stock-specific and market dislocations (as has been with small capitalization stocks this year) in order to buy even more of the companies we own on your behalf. These are high quality, cash generating franchise businesses, operating in industries in which we have a core competency, which have potential catalysts to surface value: a takeover of the company, financial engineering, new management, regulatory changes, a change in cash flow allocation, or some other dynamic. We note that continued low rates mean that companies will continue to have access to low cost financing, with which they can pursue mergers and acquisitions (M&A). This underscores our confidence that the “Fifth Wave” of takeover activity is likely to continue.

Comparative Results

Average Annual Returns through September 30, 2014 (a)(b)

	Quarter	1 Year	5 Year	10 Year	Since Inception (10/22/91)
Class AAA (GABSX)	(6.50)%	5.47%	14.62%	10.36%	13.00%
Russell 2000 Index	(7.36)	3.93	14.29	8.19	9.64
Class A (GCASX)	(6.50)	5.47	14.62	10.35	13.00
With sales charge (c)	(11.88)	(0.59)	13.27	9.70	12.71
Class C (GCCSX)	(6.68)	4.68	13.77	9.54	12.61
With contingent deferred sales charge (d)	(7.62)	3.68	13.77	9.54	12.61
Class I (GACIX)	(6.44)	5.72	14.91	10.54	13.09

In the current prospectuses dated January 28, 2014, the expense ratios for Class AAA, A, C, and I Shares are 1.39%, 1.39%, 2.14%, and 1.14%, respectively. Class AAA and Class I Shares have no sales charge. The maximum sales charge for Class A Shares and Class C Shares is 5.75% and 1.00%, respectively.

(a) Returns represent past performance and do not guarantee future results. Total returns and average annual returns reflect changes in share price, 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. 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. The Fund imposes a 2% redemption fee on shares sold or exchanged within seven days after the date of purchase. Performance returns for periods of less than one year are not annualized. Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectuses contain information about these and other matters and should be read carefully before investing. To obtain a prospectus please visit our website at www.gabelli.com. The Class AAA Share NAVs are used to calculate performance for the periods prior to the issuance of Class A Shares and Class C Shares on December 31, 2003, and the Class I Shares on January 11, 2008. The actual performance of the Class A Shares and Class C Shares would have been lower due to the additional fees and expenses associated with these classes of shares. The actual performance of the Class I Shares would have been higher due to lower expenses related to this class of shares. Investing in small capitalization securities involves special risks 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 which measures the performance of the small-cap segment of the U.S. equity market. Dividends are considered reinvested. You cannot invest directly in an index.

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

(c) Performance results include the effect of the maximum 5.75% sales charge at the beginning of the period.

(d) Assuming payment of the 1% maximum contingent deferred sales charge imposed on redemptions made within one year of purchase.

Morningstar Rating™ is based on risk-adjusted returns. The Overall Morningstar Rating is derived from a weighted average of the performance figures associated with a fund's three, five, and ten year (if applicable) Morningstar Rating metrics. For funds with at least a three year history, a Morningstar Rating is based on a risk-adjusted return measure (including the effects of sales charges, loads, and redemption fees) placing more emphasis on downward variations and rewarding consistent performance. That accounts for variations in a fund's monthly performance. The top 10% of funds in each category receive 5 stars, the next 22.5% 4 stars, the next 35% 3 stars, the next 22.5% 2 stars, and the bottom 10% 1 star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.) Morningstar Rating is for the AAA Share class only; other classes may have different performance characteristics. Ratings reflect relative performance. Results for certain periods were negative. © 2014 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

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, are available on our website at www.gabelli.com.

Deals, Deals, and More Deals

Dealmaking continued in the third quarter, with worldwide M&A up 59% to \$2.7 trillion for the first nine months of 2014, although year over year deal value declined in the third quarter. Fund holding Cooper Companies (0.1% of net assets as of September 30, 2014), a global medical device company, announced that it agreed to acquire Sauflon Pharmaceuticals for \$1.2 billion in cash. Sauflon will increase Cooper's global reach and accelerate its shift to premium daily contact lenses. Additionally, Fund holding Alere (less than 0.1%), a leading diagnostics company, received an inquiry from its former CEO, Ron Zwanziger, about taking the company private in September. While the company has so far rebuffed Mr. Zwanziger's advances, we believe that a transaction is still very possible and note that the company has launched a "strategic review" of its operations.

Let's Talk Stocks

The following are stock specifics on selected holdings of the 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 September 30, 2014.

Black Hills Corp. (0.5% of net assets as of September 30, 2014) (BKH - \$47.88 - NYSE) is a diversified energy company. The regulated utilities generated most of 2013 operating income and include electric utilities Black Hills Power (BHP), Colorado Electric (CE), and Cheyenne Light (CL), as well as gas utilities in Nebraska, Iowa, Kansas, and Colorado. The non-regulated business includes oil and gas development and production (E&P), coal mining, and merchant power generation. The regulated companies enjoy constructive regulatory treatment of ongoing investment in infrastructure, including renewable energy projects and new power plants. BKH also holds leases on approximately 74,000 acres in the Mancos Shale region and believes the acreage holds 2.2 Tcf of potential reserves. The company has also acquired 20,000 additional acres and plans to drill test wells to 'prove up' these resources. Given the early stage of BKH's shale development, we consider BKH to be an inexpensive 'call option' on the Mancos. Overall, the regulated utilities offer mid-single digit earnings growth, and the non-regulated businesses, specifically the E&P business, offer potential upside.

Cable & Wireless Communications plc (0.8%) (CWC - \$0.76 - LON) is a full service communications provider operating in the Caribbean and Panama. With the completion of the sale of the company's controlling stake in Monaco Telecom in the second quarter, the re-shaping of the group is effectively complete. In January 2014, CWC relocated much of its senior staff and corporate functions from the UK to Florida to gain efficiencies and to be in close proximity to its operations. The company plans to drive revenue growth with three levers: Rapid gains in mobile data usage and revenue, business-to-business services, and expansion of fixed broadband and television offerings. Opportunities for margin expansion remain, with CWC on track to deliver \$100 million in cost savings in the current fiscal year to March 2015. In the Caribbean, the largest business is Cable & Wireless Jamaica (LIME). Following several years of competitive and regulatory challenge, the unit is regaining momentum and subscriber market share, which has reached over 25%. In Panama, the new government with an enlarged budget offers the prospect of new public sector contracts for CWC, which remains 51% State owned. Following its 2013-2014 disposals, CWC enjoys a strong balance sheet, which will be put to use in accelerated capital spending of \$1 billion over the next three years, and seeking in-region acquisitions where opportunities meet strict return criteria.

Chemed Corp. (0.5%) (CHE - \$102.90 - NYSE), based in Cincinnati, Ohio, is a holding company that owns the Vitas hospice company and the Roto Rooter plumbing business. Vitas is the nation's largest hospice company, with almost \$1 billion in annual sales. Vitas is emerging from a difficult year, impacted by the federal government's sequester and changes in eligibility for hospice care under the Medicare program. Roto Rooter is enjoying steady revenue growth and record profitability as the economy, particularly the housing market, improves. With strong free cash flow and modest capital expenditures, Chemed is returning the vast majority of its cash flow to shareholders via significant share repurchases.

Ferro Corp. (0.9%) (FOE - \$14.49 - NYSE) is a specialty chemicals company that is transforming itself into a specialty materials company. Ferro's end markets include consumer, electronics, construction, automotive, and appliances. The company is now focusing on color and glass technology. Ferro's remaining portfolio will be fully concentrated on its core technologies in coatings, color and glass science, polymer science, and organic synthesis. Anticipated savings of \$100+ million should be achieved by year end 2015, and the sale of the last operations to be divested, Polymer Additives, should be announced by year end. Ferro's management is gaining credibility: they have delivered better than expected results recently. We believe that more acquisitions will follow and that management will remain disciplined.

Freni Brembo SpA (0.7%) (BRE - \$32.74 - Borsa Italiana Milan Stock Exchange) is a Bergamo, Italy based supplier of automotive disc brake technology with a rich heritage stemming from its dominant position in sports racing. The company's signature red calipers have become a sign of prestige in the growing global premium auto category, and BRE is one of the few automotive suppliers capable of generating demand for its specific brand. Thus, we expect the company to continue to generate sector leading margins and drive profitability over the next several years.

The Gorman-Rupp Co. (0.7%) (GRC - \$30.04 - NYSEMKT) is a leading manufacturer of pumps and related equipment for use in water, wastewater, construction, industrial, fire protection, HVAC, and other liquid handling applications. In the municipal market, GRC manufactures a clean water and sewage handling pumping system that supplies fresh drinking water to nearby communities and removes sewage water for reuse. In the water and wastewater markets, GRC makes large pumps for flood control that can move large volumes of water continually and quickly. When Hurricane Katrina caused the flooding of New Orleans, the U.S. Army Corps of Engineers purchased eight pumps from Gorman-Rupp to reduce the water level. In the commercial market, the company makes an extensive line of centrifugal pumps, automatic sprinkler systems, fire hydrants, and pipes for the fire protection market. Gorman-Rupp products are extensively used in the replacement market. We believe the company has a bright future, driven by the aging infrastructure in the U.S. that needs replacement or upgrade and by the building of new infrastructure in developing countries.

Ingles Markets Inc. (0.5%) (IMKTA - \$23.69 - NASDAQ), founded in 1963, is a leading regional supermarket chain, with 201 stores (about 150 of which are company owned), located primarily in suburban areas, small towns, and neighborhood shopping centers in the six southeastern states of Georgia (seventy-one stores), North Carolina (seventy stores), South Carolina (thirty-six stores), Tennessee (twenty-one stores), Virginia (two stores), and Alabama (one store). Ingles Markets has achieved customer loyalty by offering an extensive selection of high quality products at reasonable prices. Because of its regional focus, Ingles has recognized and responded to its customers' needs, while achieving regional economies of scale. Ingles' offerings continue to resonate with its customers, as demonstrated by the company's positive sales trends. Inclusive of our estimated \$700 million of company-owned real estate value, IMKTA shares trade at about a 40% discount to our 2015 Private Market Value of \$40 per share, while providing a 2.8% current return.

Kaman Corp. (1.0%) (KAMN - \$39.30 - NYSE) is a diversified company serving the aerospace, defense, and industrial markets. The aerospace segment manufactures aircraft bearings, precision fuses, helicopter components, and subcontract aerostructure work. Kaman's aerospace business is benefiting from the increased production of commercial aircraft and higher aftermarket sales driven by increased flying hours. In the industrial segment, the company distributes power transmission, motion control, and material handling products to a broad range of industries. This segment is buoyed by the global economic and industrial recovery. We believe the company is well positioned for earnings growth, driven by its leading positions in various aerospace and defense programs and higher industrial distribution sales.

The Madison Square Garden Co. (0.7%) (MSG - \$66.12 - NASDAQ) is an integrated sports and media company that owns the MSG networks (MSG/MSG+ and Fuse), the New York Knicks, the New York Rangers, the Radio City Christmas Spectacular, and the iconic New York venue, Madison Square Garden. These evergreen content assets benefit from sustainable barriers to entry and long term secular growth. We believe the now completed Transformation project and the rising value of sports programming, as demonstrated by the NBA's recent contract renewal with Time Warner Inc. and Walt Disney Co., will dramatically increase MSG's earnings power through 2018.

Mandarin Oriental International Ltd. (0.1%) (MO4 - \$1.76 - Singapore Exchange) is the holding company for Hong Kong based Mandarin Oriental Hotel Group (MOHG), which operates twenty-seven deluxe hotels and resorts containing around 8,000 rooms located in twenty countries. Mandarin Oriental International Ltd. is incorporated in Bermuda and listed on the Singapore exchange. Mandarin Oriental currently has seventeen hotels in its development pipeline, all of which are management contracts that allow the company to grow without significant growth capital experience related to real estate development. The management and incentive fees stream from management contracts is a high margin, high multiple business that augments the company's growth profile. MOHG continues to be 74% owned by Hong Kong based conglomerate Jardine Strategic Ltd (0.2%).

Navistar International Corp. (0.7%) (NAV - \$32.91 - NYSE), based in Warrenville, Illinois, manufactures Class 4-8 trucks, buses, and defense vehicles, as well as diesel engines and parts for the trucking industry. NFC, a wholly owned subsidiary, provides financing of products sold by the company's truck segment. After changing course on its strategy to meet 2010 EPA Emissions requirements with its own technological solution, Navistar has undertaken a major operational restructuring effort to right-size its global footprint under new CEO Troy Clarke. Additionally, the company chose leading engine manufacturer Cummins as its partner in meeting EPA emissions requirements.

PNM Resources Inc. (0.9%) (PNM - \$24.91 - NYSE) is a public utility holding company headquartered in Albuquerque, New Mexico. Regulated electric utility subsidiaries include the Public Service Company of New Mexico (PSNM) and Texas-New Mexico Power Company (TNMP). The utility operations remain strong and PSNM will continue to benefit from FERC generation and transmission rate requests, as well as an annual renewable rider in New Mexico. The renewable rider allows for timely returns on approved renewable investment to reach the state's portfolio standards of 15% by 2015 and 20% by 2020. PNM will also invest \$2.3 billion over 2014-2018, including \$509 million in 2014, \$558 million in 2015, and \$499 million in 2016, driving rate base growth of 6-8% CAGR. We expect PSNM to file an important New Mexico rate case in late 2014 using a forward-looking 2016 test year, which will include significant environmental and renewable investment for the San Juan Units, as well as further generation additions. TNMP benefits from annual distribution and transmission rate adjustments, but may file a general rate request in mid 2014. Despite the significant investment plan, the company has no need for an equity offering in the foreseeable future.

Ryman Hospitality Properties Inc. (0.7%) (RHP - \$47.30 - NYSE) is a Nashville, Tennessee based REIT that owns convention hotels in Nashville, Tennessee; Orlando, Florida; Dallas, Texas; and Washington, D.C. Other assets include the iconic Opryland, the famous Ryman Auditorium, the General Jackson Showboat, Gaylord Springs Golf Links, and Nashville based radio station WSM-AM. RHP recommended changes to property manager Marriott, which included deploying additional sales staff at the property and regional sales office levels and educating and incentivizing Marriott's sales team to highlight the uniqueness and complexity of the Gaylord properties. These changes are showing traction in the form of strong bookings, and RHP feels there is still room for improvement in the sales process. Finally, as the leading country music entertainment brand, a potential spin-off of the Opry segment, including the Grand Ole Opry, also remains a significant possible catalyst for RHP shares.

Investment Scorecard

Top contributors to performance included Madison Square Garden (0.7% of net assets as of September 30, 2014) (+6%), in which an activist investor has called for the initiation of a share repurchase program; Republic Services (0.4%) (+4%), which should benefit from a recovery in the U.S. and lower fuel prices; and Macquarie Infrastructure (0.4%) (+8%), which reached an agreement to purchase its 50% partner in its liquids storage business.

Detractors to performance included IDEX (0.2%) (-10%), which declined due to lower energy prices and a potential slowdown in the global economy; National Fuel Gas (0.2%) (-10%), which reflected lower natural gas prices; and Davide Campari-Milano (0.4%) (-17%), which declined amid concerns about Europe falling back into a recession and euro currency weakness.

Conclusion

As always, in volatile times, our process remains unchanged. We conduct bottom-up research on companies and industries in order to uncover undervalued businesses we would be happy to own for many years. Our Private Market Value (PMV) with a Catalyst™ stock selection process identifies potential acquisition targets and likely candidates for financial engineering. Should volatility return and “Mr. Market” provide us with an opportunity, we remain prepared to increase our ownership of businesses that fit these characteristics, as well as invest in new opportunities as they become available.

October 9, 2014

Top Ten Holdings (Percent of Net Assets)	
<u>September 30, 2014</u>	
O'Reilly Automotive Inc. 1.8%	Kaman Corp. 1.0%
RPC Inc. 1.5%	Curtiss-Wright Corp. 0.9%
Diebold Inc. 1.2%	Ferro Corp. 0.9%
The Interpublic Group of Cos. Inc. 1.0%	PNM Resources Inc. 0.9%
CIRCOR International Inc. 1.0%	Huntsman Corp. 0.8%

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 or exchanged within seven days after the date of purchase. See the prospectuses for more details.

www.gabelli.com

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

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

The Fund's daily net asset value is available in the financial press and each evening after 7:00 PM (Eastern Time) by calling 800-GABELLI (800-422-3554). The Fund's Nasdaq symbol is GABSX for Class AAA Shares. Please call us during the business day, between 8:00 AM – 7:00 PM (Eastern Time), for further information.

e-delivery

We are pleased to offer electronic delivery of Gabelli fund documents. Direct shareholders of our mutual funds can elect to receive their Annual and Semiannual 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.

Multi-Class Shares

The Gabelli Small Cap Growth Fund began offering additional classes of Fund shares on December 31, 2003. Class AAA Shares are no-load shares offered directly through 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 directly through the Fund's distributor or brokers that have entered into selling agreements specifically with respect to Class I Shares. 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.

Portfolio Manager Biography

Mario J. Gabelli, CFA, is Chairman and Chief Executive Officer of GAMCO Investors, Inc. that he founded in 1977 and Chief Investment Officer – Value Portfolios of Gabelli Funds, LLC and GAMCO Asset Management Inc. Mr. Gabelli is a summa cum laude graduate of Fordham University and holds an MBA degree from Columbia Business School and Honorary Doctorates from Fordham University and Roger Williams University.

Gabelli Equity Series Funds, Inc.
THE GABELLI SMALL CAP GROWTH FUND

One Corporate Center
Rye, NY 10580-1422

t 800-GABELLI (800-422-3554)
f 914-921-5118
e info@gabelli.com
GABELLI.COM

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

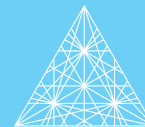
BOARD OF DIRECTORS	Anthonie C. van Ekris Chairman, BALMAC International, Inc.
Mario J. Gabelli, CFA Chairman and Chief Executive Officer, GAMCO Investors, Inc.	Salvatore J. Zizza Chairman, Zizza & Associates Corp.
Anthony J. Colavita President, Anthony J. Colavita, P.C.	OFFICERS
Vincent D. Enright Former Senior Vice President and Chief Financial Officer, KeySpan Corp.	Bruce N. Alpert President
John D. Gabelli Senior Vice President, G.research, Inc.	Andrea R. Mango Secretary
Robert J. Morrissey Partner, Morrissey, Hawkins & Lynch	Agnes Mullady Treasurer
Kuni Nakamura President, Advanced Polymer, Inc.	Richard J. Walz Chief Compliance Officer
Anthony R. Pustorino Certified Public Accountant, Professor Emeritus, Pace University	DISTRIBUTOR G.distributors, LLC
	CUSTODIAN, TRANSFER AGENT, AND DIVIDEND DISBURSING 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 Small Cap Growth Fund. It is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.



Overall Morningstar Rating™ ★★★★★
Morningstar® rated The Gabelli Small Cap Growth Fund Class AAA Shares 4 stars overall, 3 stars for the three year period, 4 stars for the five year period, and 5 stars for the ten year period ended September 30, 2014 among 616, 616, 563, and 351 Small Blend funds, respectively. Morningstar Rating™ is based on risk-adjusted returns.

GAB443Q314SC



GABELLI
FUNDS

THE GABELLI SMALL CAP GROWTH FUND

Shareholder Commentary
September 30, 2014

Overall Morningstar Rating™



Morningstar Rating™ is based
on risk-adjusted returns.

The Gabelli Small Cap Growth Fund

Annual Report — September 30, 2014



Morningstar® rated The Gabelli Small Cap Growth Fund Class AAA Shares 4 stars overall, 3 stars for the three year period, 4 stars for the five year period, and 5 stars for the ten year period ended September 30, 2014 among 616, 616, 563, and 351 Small Blend funds, respectively. Morningstar Rating™ is based on risk-adjusted returns.



Mario J. Gabelli, CFA
Portfolio Manager

To Our Shareholders,

For the year ended September 30, 2014, the net asset value (“NAV”) per Class AAA Share of The Gabelli Small Cap Growth Fund increased 5.5% compared with a increase of 3.9% for the Russell 2000 Index. See page 2 for additional performance information.

Enclosed are the financial statements, including the schedule of investments, as of September 30, 2014.

Performance Discussion

The last calendar quarter of 2013 provided a fitting end to a strong year. The U.S. entered its fourth consecutive year of expansion due to a rebounding housing market, improving job growth, and an accommodative monetary policy.

Stocks rose modestly in the first quarter of 2014, despite the largely negative geopolitical and macroeconomic events that dominated headlines. The Russian Federation’s annexation of Crimea took center stage, while other emerging market currencies fell. Back in the U.S., the economy continued to expand slowly and saw Janet Yellen sworn in as Chair of the Board of Governors of the Federal Reserve System.

The second quarter of 2014 saw heightened tensions in Ukraine and the previously little known group ISIS executing a lightning fast takeover of much of oil rich northern Iraq. U.S. job growth and the housing market continued to improve, but neither to the extent that caused the Federal Reserve to accelerate the withdrawal of stimulus. The market was also heartened by a surge in mergers and acquisitions, as quarterly global transaction volumes more than doubled year-on-year and exceeded \$1 trillion for the first time since 1998.

The third quarter saw a return of volatility to financial markets, as macroeconomic factors, including continued conflict in Ukraine and the Middle East, a slowdown in emerging markets growth, and Argentinian debt default on the last day of the month all weighing on the market. Concerns about the impact of communicable diseases on travel and leisure industries, and continued conflicts around the globe, whether in Ukraine, Iraq, Syria, or elsewhere, added to this effect.

Among the better performing stocks for the fiscal year were: RPC Inc. (1.5% of net assets as of September 30, 2014), a provider of oilfield services and equipment; Ferro Corp. (0.9%), a producer of specialty materials and chemicals; and O’Reilly Automotive Inc. (1.8%), a manufacturer of car parts. Our weaker performing stocks during the year were CNH Industrial NV (0.4%), a designer, producer, and seller of agricultural and construction equipment, trucks and commercial vehicles, and engines and transmissions for industrial and marine applications worldwide; GrafTech International Ltd. (0.2%), which manufactures and sells graphite and carbon material science based solutions; and Layne Christensen Co. (0.1%), a provider of water management, construction, and drilling services in North America and internationally.

We appreciate your loyalty and support.

Comparative Results

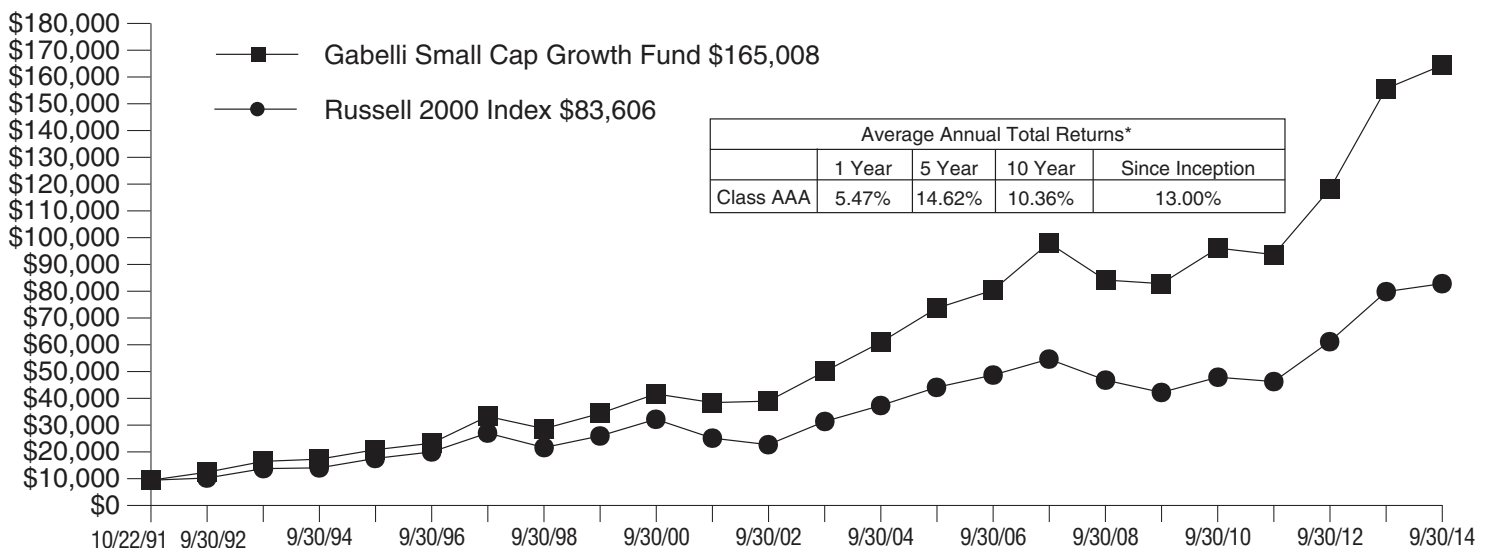
Average Annual Returns through September 30, 2014 (a)(b) (Unaudited)

	1 Year	5 Year	10 Year	Since Inception (10/22/91)
Class AAA (GABSX)	5.47%	14.62%	10.36%	13.00%
Russell 2000 Index	3.93	14.29	8.19	9.64
Class A (GCASX)	5.47	14.62	10.35	13.00
With sales charge (c)	(0.59)	13.27	9.70	12.71
Class C (GCCSX)	4.68	13.77	9.54	12.61
With contingent deferred sales charge (d)	3.68	13.77	9.54	12.61
Class I (GACIX)	5.72	14.91	10.54	13.09

In the current prospectuses dated January 28, 2014, the expense ratios for Class AAA, A, C, and I Shares are 1.39%, 1.39%, 2.14%, and 1.14%, respectively. See page 16 for the expense ratios for the year ended September 30, 2014. Class AAA and Class I Shares have no sales charge. The maximum sales charge for Class A and C Shares is 5.75% and 1.00%, respectively.

- (a) Returns represent past performance and do not guarantee future results. Total returns and average annual returns reflect changes in share price, 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. 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. The Fund imposes a 2% redemption fee on shares sold or exchanged within seven days after the date of purchase. Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectuses contain information about these and other matters and should be read carefully before investing. To obtain a prospectus please visit our website at www.gabelli.com. The Class AAA Share NAVs are used to calculate performance for the periods prior to the issuance of Class A Shares and Class C Shares on December 31, 2003, and the Class I Shares on January 11, 2008. The actual performance of the Class A Shares and Class C Shares would have been lower due to the additional fees and expenses associated with these classes of shares. The actual performance of the Class I Shares would have been higher due to lower expenses related to this class of shares. Investing in small capitalization securities involves special risks 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 which measures the performance of the small cap segment of the U.S. equity market. Dividends are considered reinvested. You cannot invest directly in an index.
- (b) The Fund's fiscal year ends September 30.
- (c) Performance results include the effect of the maximum 5.75% sales charge at the beginning of the period.
- (d) Assuming payment of the 1% maximum contingent deferred sales charge imposed on redemptions made within one year of purchase.

COMPARISON OF CHANGE IN VALUE OF A \$10,000 INVESTMENT IN THE GABELLI SMALL CAP GROWTH FUND CLASS AAA AND THE RUSSELL 2000 INDEX (Unaudited)



* Past performance is not predictive of future results. The performance tables and graph do not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares.

The Gabelli Small Cap Growth Fund Disclosure of Fund Expenses (Unaudited)

For the Six Month Period from April 1, 2014 through September 30, 2014 **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. The "Annualized Expense Ratio" represents the actual expenses for the last six months and may be different from the expense ratio in the Financial Highlights which is for the year ended September 30, 2014.

	Beginning Account Value 04/01/14	Ending Account Value 09/30/14	Annualized Expense Ratio	Expenses Paid During Period*
The Gabelli Small Cap Growth Fund				
Actual Fund Return				
Class AAA	\$1,000.00	\$ 961.10	1.39%	\$ 6.83
Class A	\$1,000.00	\$ 961.10	1.39%	\$ 6.83
Class C	\$1,000.00	\$ 957.30	2.14%	\$10.50
Class I	\$1,000.00	\$ 962.10	1.14%	\$ 5.61
Hypothetical 5% Return				
Class AAA	\$1,000.00	\$1,018.10	1.39%	\$ 7.03
Class A	\$1,000.00	\$1,018.10	1.39%	\$ 7.03
Class C	\$1,000.00	\$1,014.34	2.14%	\$10.81
Class I	\$1,000.00	\$1,019.35	1.14%	\$ 5.77

* 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 (183 days), then divided by 365.

Summary of Portfolio Holdings (Unaudited)

The following table presents portfolio holdings as a percent of net assets as of September 30, 2014:

The Gabelli Small Cap Growth Fund

U.S. Government Obligations	11.5%	Consumer Services	1.2%
Equipment and Supplies	8.4%	Broadcasting	1.2%
Food and Beverage	7.9%	Transportation	0.9%
Automotive: Parts and Accessories	6.6%	Wireless Communications	0.9%
Energy and Utilities	6.1%	Machinery	0.9%
Retail	5.9%	Automotive	0.7%
Diversified Industrial	5.6%	Metals and Mining	0.6%
Business Services	5.2%	Environmental Services	0.4%
Health Care	4.8%	Home Furnishings	0.4%
Financial Services	4.8%	Manufactured Housing and Recreational Vehicles	0.3%
Specialty Chemicals	4.3%	Communications Equipment	0.2%
Aviation: Parts and Services	3.7%	Aerospace	0.2%
Hotels and Gaming	3.0%	Closed-End Funds	0.1%
Building and Construction	2.4%	Educational Services	0.1%
Computer Software and Services	2.3%	Paper and Forest Products	0.1%
Entertainment	1.7%	Closed-End Business Development Company	0.0%
Electronics	1.6%	Agriculture	0.0%
Cable	1.3%	Other Assets and Liabilities (Net)	(0.3)%
Consumer Products	1.3%		<u>100.0%</u>
Telecommunications	1.3%		
Publishing	1.2%		
Real Estate	1.2%		

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 N-Q. 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 800-SEC-0330.

Proxy Voting

The Fund files Form N-PX with its complete proxy voting record for the twelve months ended June 30, no later than August 31 of each year. A description of the Fund's proxy voting policies, procedures, and how the Fund voted proxies relating to portfolio securities is 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 Small Cap Growth Fund

Schedule of Investments — September 30, 2014

Shares		Cost	Market Value	Shares		Cost	Market Value
COMMON STOCKS — 88.7%							
Aerospace — 0.2%							
25,000	Embraer SA, ADR	\$ 430,623	\$ 980,500	5,000,000	BBA Aviation plc	\$ 13,331,465	\$ 26,343,525
260,000	Exelis Inc.	4,074,350	4,300,400	500,000	Curtiss-Wright Corp.	14,149,715	32,960,000
12,500	Innovative Solutions & Support Inc.†	47,898	65,187	44,000	Ducommun Inc.†	868,225	1,206,040
		<u>4,552,871</u>	<u>5,346,087</u>	1,245,095	GenCorp Inc.†	8,096,303	19,884,167
				860,077	Kaman Corp.	16,126,943	33,801,026
				85,000	Moog Inc., Cl. A†	703,065	5,814,000
				16,100	Moog Inc., Cl. B†	464,818	1,104,621
				68,000	Woodward Inc.	1,052,020	3,238,160
						<u>58,177,976</u>	<u>129,105,383</u>
Agriculture — 0.0%							
350,075	Black Earth Farming Ltd., SDR†	698,077	212,490	Broadcasting — 1.2%			
12,000	Cadiz Inc.†	93,950	124,680	520,836	ACME Communications Inc.	526,973	22,136
150,000	Ceres Inc.†	340,392	61,500	240,217	Beasley Broadcast Group Inc., Cl. A	1,400,597	1,287,563
		<u>1,132,419</u>	<u>398,670</u>	23,300	Cogeco Inc.	592,837	1,129,684
Automotive — 0.7%				452,000	Crown Media Holdings Inc., Cl. A†	1,680,124	1,446,400
755,080	Navistar International Corp.†	21,640,932	24,849,683	255,000	Gray Television Inc.†	542,316	2,009,400
12,000	PACCAR Inc.	471,506	682,500	47,215	Gray Television Inc., Cl. A†	132,085	298,399
		<u>22,112,438</u>	<u>25,532,183</u>	50,000	ITV plc	173,576	168,436
Automotive: Parts and Accessories — 6.5%				80,000	Liberty Media Corp., Cl. A†	496,012	3,774,400
237,000	BorgWarner Inc.	1,335,295	12,468,570	160,000	Liberty Media Corp., Cl. C†	962,847	7,518,400
750,000	Brembo SpA	8,426,693	24,553,825	450,000	LIN Media LLC, Cl. A†	6,628,500	9,990,000
90,022	China Automotive Systems Inc.	447,666	826,402	115,000	Pandora Media Inc.†	1,564,177	2,778,400
400,000	Cooper Tire & Rubber Co.	10,376,146	11,480,000	560,054	Salem Communications Corp., Cl. A	2,165,554	4,262,011
1,100,000	Dana Holding Corp.	9,063,721	21,087,000	170,000	Sinclair Broadcast Group Inc., Cl. A	1,335,314	4,435,300
1,041,038	Federal-Mogul Holdings Corp.†	13,362,028	15,480,235	450,000	Sirius XM Holdings Inc.†	219,282	1,570,500
760,000	Modine Manufacturing Co.†	9,616,561	9,021,200			<u>18,420,194</u>	<u>40,691,029</u>
22,000	Monro Muffler Brake Inc.	150,657	1,067,660	Building and Construction — 2.4%			
430,000	O'Reilly Automotive Inc.†	11,682,938	64,654,800	66,000	Beazer Homes USA Inc.†	1,228,434	1,107,480
45,000	Puradyn Filter Technologies Inc.†	11,732	10,345	295,000	D.R. Horton Inc.	3,487,620	6,053,400
195,000	SORL Auto Parts Inc.†	1,145,902	848,250	750,000	Hovnanian Enterprises Inc., Cl. A†	1,928,866	2,752,500
80,375	Spartan Motors Inc.	388,580	375,351	200,000	KB Home	2,123,861	2,988,000
230,000	Standard Motor Products Inc.	1,898,660	7,918,900	480,000	Layne Christensen Co.†	10,930,741	4,660,800
207,000	Strattec Security Corp.(a)	4,399,791	16,839,450	100,000	Lennar Corp., Cl. A	1,436,273	3,883,000
400,000	Superior Industries International Inc.	6,650,124	7,012,000	400,009	Lennar Corp., Cl. B	10,040,285	12,824,289
480,000	Tenneco Inc.†	4,240,395	25,108,800	600,000	Louisiana-Pacific Corp.†	5,071,723	8,154,000
830,000	The Pep Boys - Manny, Moe & Jack†	9,033,368	7,395,300	142,000	MDC Holdings Inc.	3,592,233	3,595,440
27,000	Thor Industries Inc.	250,194	1,390,500	155,000	Meritage Homes Corp.†	3,454,885	5,502,500
70,000	Wonder Auto Technology Inc., Escrow†	0	70	12,500	Nortek Inc.†	459,613	931,250
		<u>92,480,451</u>	<u>227,538,658</u>	2,800	NVR Inc.†	1,980,556	3,164,056
Aviation: Parts and Services — 3.7%				345,000	PulteGroup Inc.	2,447,273	6,092,700
25,000	AAR Corp.	302,990	603,750	200,000	Standard Pacific Corp.†	771,232	1,498,000
9,500	Astronics Corp.†	20,799	452,960	255,000	The Ryland Group Inc.	4,167,256	8,476,200
12,340	Astronics Corp., Cl. B†	26,185	586,150	380,000	Toll Brothers Inc.†	7,446,446	11,840,800
37,062	B/E Aerospace Inc.†	3,035,448	3,110,984			<u>60,567,297</u>	<u>83,524,415</u>
				Business Services — 5.2%			
				41,000	ACCO Brands Corp.†	390,205	282,900

See accompanying notes to financial statements.

The Gabelli Small Cap Growth Fund

Schedule of Investments (Continued) — September 30, 2014

Shares		Cost	Market Value	Shares		Cost	Market Value
	COMMON STOCKS (Continued)						
	Business Services (Continued)						
104,000	Ascent Capital Group Inc., Cl. A†	\$ 2,628,985	\$ 6,260,800	113,000	MVC Capital Inc.	\$ 1,287,652	\$ 1,215,880
510,006	Clear Channel Outdoor Holdings Inc., Cl. A	1,979,729	3,437,440	97,000	Closed-End Funds — 0.1%		
84,000	Conviant Inc.†	1,083,047	2,877,000	35,326	The Central Europe, Russia, and Turkey Fund Inc.	3,183,590	2,405,600
1,183,000	Diebold Inc.	38,909,411	41,783,560	74,748	The European Equity Fund Inc.	357,164	290,026
560,388	Edgewater Technology Inc.† ..	2,774,482	3,849,866		The New Germany Fund Inc.	1,016,252	1,248,292
420,000	Furmanite Corp.†	1,870,692	2,839,200			4,557,006	3,943,918
100,000	GP Strategies Corp.†	832,568	2,872,000		Communications Equipment — 0.2%		
30,000	GSE Systems Inc.†	130,842	46,800	200,000	Communications Systems Inc.	1,706,888	2,232,000
365,000	Internap Network Services Corp.†	2,507,950	2,518,500	53,000	Fortinet Inc.†	1,087,610	1,339,045
22,000	Lamar Advertising Co., Cl. A ..	196,856	1,083,500	126,000	Riverbed Technology Inc.† ...	2,519,216	2,336,670
17,000	Landauer Inc.	443,034	561,170	290,000	Sycamore Networks Inc.	412,061	100,920
1,100,000	Live Nation Entertainment Inc.†	11,276,960	26,422,000			5,725,775	6,008,635
255,000	Loomis AB, Cl. B	2,728,946	7,297,325		Computer Software and Services — 2.3%		
192,000	Macquarie Infrastructure Co. LLC	2,457,611	12,806,400	300,000	Activision Blizzard Inc.	4,509,997	6,237,000
95,000	McGrath RentCorp	2,581,641	3,249,000	22,000	Avid Technology Inc.†	220,686	222,200
155,000	ModusLink Global Solutions Inc.†	646,603	553,350	2,000	Blackbaud Inc.	78,260	78,580
15,000	Sealed Air Corp.	362,982	523,200	300,000	Compuware Corp.	3,198,980	3,183,000
120,000	Sohgo Security Services Co. Ltd.	1,459,559	2,820,697	590,000	EarthLink Holdings Corp.	3,365,330	2,017,800
139,000	Stamps.com Inc.†	1,128,498	4,414,640	124,000	Electronic Arts Inc.†	2,367,934	4,415,640
56,000	Swisher Hygiene Inc.†	385,126	170,240	185,000	Emulex Corp.†	1,578,438	913,900
400,000	The Brink's Co.	9,807,432	9,616,000	430,000	FalconStor Software Inc.† ...	1,399,871	494,500
2,010,900	The Interpublic Group of Companies Inc.	15,552,320	36,839,688	2,000	FireEye Inc.†	57,586	61,120
100,000	TNT Express NV.	884,371	633,297	490,044	Global Sources Ltd.†	3,746,691	3,288,195
33,050	TransAct Technologies Inc. ...	168,459	222,757	71,077	Guidance Software Inc.†	647,422	478,348
404,180	Trans-Lux Corp.†(a)	3,957,787	3,132,395	40,000	InterXion Holding NV†	630,985	1,107,600
43,500	United Rentals Inc.†	277,353	4,832,850	60,000	Mentor Graphics Corp.	720,436	1,229,700
14,444	Vectrus Inc.†	306,672	282,100	22,000	Mercury Systems Inc.†	341,718	242,220
		<u>107,730,121</u>	<u>182,228,675</u>	20,187	MKS Instruments Inc.	367,981	673,842
				440,000	NCR Corp.†	4,746,089	14,700,400
				65,000	Quantum Corp.†	204,798	75,400
				100,000	Rockwell Automation Inc.	2,731,906	10,988,000
				54,000	Stratasys Ltd.†	4,104,000	6,522,120
				279,000	Tyler Technologies Inc.†	1,219,598	24,663,600
						<u>36,238,706</u>	<u>81,593,165</u>
	Cable — 1.3%				Consumer Products — 1.3%		
174,000	AMC Networks Inc., Cl. A†	2,124,059	10,165,080		1-800-FLOWERS.COM Inc., Cl. A†	1,391,607	2,157,000
555,068	Cablevision Systems Corp., Cl. A	956,653	9,719,241	300,000	Brunswick Corp.	967,690	2,317,700
10,000	Cogeco Cable Inc.	340,851	511,005	55,000	Chofu Seisakusho Co. Ltd.	484,644	911,762
230,000	DIRECTV†	5,709,367	19,899,600	33,500	Church & Dwight Co. Inc.	293,547	4,069,280
50,000	DISH Network Corp., Cl. A† ..	968,420	3,229,000	58,000	Elizabeth Arden Inc.†	3,788,298	2,477,520
36,000	EchoStar Corp., Cl. A†	708,109	1,755,360	148,000	Ginko International Co. Ltd.	501,006	377,389
8,800	Liberty Global plc, Cl. A†	107,821	374,352	28,000	Harley-Davidson Inc.	4,713	116,400
26,400	Liberty Global plc, Cl. C†	306,715	1,082,796	2,000	Harman International Industries Inc.	1,209,398	2,500,020
		<u>11,221,995</u>	<u>46,736,434</u>	25,500	Hunter Douglas NV.	1,951,804	1,747,755

See accompanying notes to financial statements.

The Gabelli Small Cap Growth Fund

Schedule of Investments (Continued) — September 30, 2014

Shares		Cost	Market Value	Shares		Cost	Market Value
	COMMON STOCKS (Continued)						
	Consumer Products (Continued)						
488,304	Marine Products Corp.	\$ 1,489,266	\$ 3,852,719	70,000	Kimball International Inc., Cl. B	\$ 1,061,083	\$ 1,053,500
10,000	National Presto Industries Inc.	300,897	607,100	2,400	L.B. Foster Co., Cl. A	83,834	110,256
445,000	Sally Beauty Holdings Inc.†...	2,951,051	12,179,650	75,000	Lawson Products Inc.†.....	1,075,729	1,671,750
220,000	Samick Musical Instruments Co. Ltd.	299,584	856,859	97,000	Lincoln Electric Holdings Inc..	2,614,310	6,706,095
11,000	Shimano Inc.	1,267,284	1,337,953	71,000	Lindsay Corp.	1,610,329	5,307,250
9,750	Steven Madden Ltd.†.....	36,466	314,242	40,083	Lydall Inc.†	447,165	1,082,642
150,000	Swedish Match AB	2,992,162	4,864,191	91,996	Magnetek Inc.†	1,993,340	2,878,555
87,425	Syratech Corp.†.....	17,426	262	32,000	Matthews International Corp., Cl. A	748,294	1,404,480
25,000	The Scotts Miracle-Gro Co., Cl. A	771,996	1,375,000	550,000	Myers Industries Inc.....	6,105,815	9,702,000
22,000	WD-40 Co.....	606,916	1,495,120	134,000	Oil-Dri Corp. of America	1,466,599	3,493,380
105,000	Wolverine World Wide Inc. ...	542,857	2,631,300	120,000	Olin Corp.....	2,318,113	3,030,000
		<u>21,868,612</u>	<u>46,189,222</u>	299,000	Park-Ohio Holdings Corp.	2,618,013	14,310,140
				19,000	Pentair plc	727,134	1,244,310
	Consumer Services — 1.2%			85,500	Precision Castparts Corp.	1,746,997	20,253,240
53,000	Bowlin Travel Centers Inc.†...	53,947	74,730	65,000	Raven Industries Inc.....	1,701,585	1,586,000
2,750	Collectors Universe Inc.	3,322	60,500	32,000	Roper Industries Inc.....	620,029	4,681,280
18,000	IAC/InterActiveCorp.	199,991	1,186,200	295,200	Sevcon Inc.†(a)	1,815,577	2,405,880
265,017	KAR Auction Services Inc.	3,573,437	7,587,437	96,000	Sonoco Products Co.....	2,940,089	3,771,840
100,000	Liberty Interactive Corp., Cl. A†	1,749,861	2,852,000	58,000	Standex International Corp....	1,563,076	4,300,120
37,000	Liberty TripAdvisor Holdings Inc., Cl. A†	393,577	1,254,300	107,199	Steel Partners Holdings LP†..	1,766,871	1,780,575
37,000	Liberty Ventures, Cl. A†	393,577	1,404,520	390,000	Textron Inc.	2,523,213	14,036,100
209,819	Martha Stewart Living Omnimedia Inc., Cl. A†	1,060,618	755,348	460,141	Tredegar Corp.	8,079,937	8,471,196
600,000	Rollins Inc.	2,281,581	17,568,000	168,000	Trinity Industries Inc.....	2,539,068	7,848,960
60,000	The ADT Corp.	1,474,960	2,127,600	147,000	Tyco International Ltd.....	2,752,473	6,551,790
455,000	TiVo Inc.†.....	4,819,951	5,821,725			<u>93,760,010</u>	<u>197,984,604</u>
		<u>16,004,822</u>	<u>40,692,360</u>		Educational Services — 0.1%		
	Diversified Industrial — 5.6%			61,000	Career Education Corp.†.....	441,959	309,880
25,000	Acuity Brands Inc.....	325,794	2,942,750	265,000	Corinthian Colleges Inc.†.....	932,757	29,282
30,000	Aegion Corp.†.....	561,304	667,500	385,000	Universal Technical Institute Inc.	6,486,554	3,599,750
118,000	Albany International Corp., Cl. A	2,585,529	4,016,720			<u>7,861,270</u>	<u>3,938,912</u>
212,000	Ampco-Pittsburgh Corp.....	3,691,034	4,240,000		Electronics — 1.6%		
6,000	Anixter International Inc.	57,120	509,040	98,000	Badger Meter Inc.	2,797,399	4,944,100
3,000	Columbus McKinnon Corp.	40,570	65,970	250,000	Bel Fuse Inc., Cl. A(a)	5,878,003	5,892,500
397,000	Crane Co.	9,316,447	25,094,370	20,000	CSR plc, ADR	293,600	976,800
17,000	Foster Wheeler AG	32,976	537,540	550,000	CTS Corp.....	5,306,161	8,739,500
74,000	Greif Inc., Cl. A	757,714	3,241,940	575,000	Cypress Semiconductor Corp.....	4,971,233	5,678,125
117,970	Greif Inc., Cl. B	5,709,954	5,839,515	40,000	Daktronics Inc.....	362,126	491,600
1,230,000	Griffon Corp.....	13,512,081	14,009,700	114,000	Dolby Laboratories Inc., Cl. A†	4,707,137	4,764,060
28,000	Haynes International Inc.	1,444,949	1,287,720	110,000	Gentex Corp.....	2,666,319	2,944,700
190,000	Jardine Strategic Holdings Ltd.	3,487,637	6,621,500	94,000	Greatbatch Inc.†	2,395,688	4,005,340
500,000	Katy Industries Inc.†(a)	724,863	705,000	20,000	IMAX Corp.†	158,565	549,200
40,000	Key Technology Inc.†.....	593,365	524,000	100,000	International Rectifier Corp.† .	3,608,981	3,924,000
				70,000	KEMET Corp.†	307,782	288,400
				2,000	Methode Electronics Inc.	17,700	73,740
				66,000	MOCON Inc.	974,677	985,380
				300,000	Park Electrochemical Corp. ...	6,211,353	7,065,000

See accompanying notes to financial statements.

The Gabelli Small Cap Growth Fund

Schedule of Investments (Continued) — September 30, 2014

Shares		Cost	Market Value	Shares		Cost	Market Value
	COMMON STOCKS (Continued)				Entertainment — 1.7%		
	Electronics (Continued)						
15,000	Pulse Electronics Corp.†	\$ 91,748	\$ 20,250	78,000	Carmike Cinemas Inc.†	\$ 529,122	\$ 2,416,440
135,000	Rofin-Sinar Technologies Inc.†	3,214,465	3,113,100	30,000	Discovery Communications Inc., Cl. A†	208,920	1,134,000
170,000	Stoneridge Inc.†	1,355,936	1,915,900	90,000	Discovery Communications Inc., Cl. C†	618,965	3,355,200
		<u>45,318,873</u>	<u>56,371,695</u>	430,050	Dover Motorsports Inc.	1,592,107	993,415
	Energy and Utilities — 6.1%			69,000	International Speedway Corp., Cl. A	2,180,287	2,183,160
370,000	Black Hills Corp.	9,456,977	17,715,600	6,200	International Speedway Corp., Cl. B	148,415	200,880
70,000	Black Ridge Oil and Gas Inc.†	0	49,700	90,000	Starz, Cl. A†	221,728	2,977,200
100,000	Callon Petroleum Co.†	621,608	881,000	360,000	Take-Two Interactive Software Inc.†	5,193,550	8,305,200
49,500	Chesapeake Utilities Corp.	894,983	2,062,170	360,000	The Madison Square Garden Co., Cl. A†	8,494,132	23,803,200
9,000	Clean Energy Fuels Corp.†	112,182	70,200	260,000	Twenty-First Century Fox Inc., Cl. A	673,473	8,915,400
100,000	Cleco Corp.	5,498,089	4,815,000	165,000	Universal Entertainment Corp.	2,282,773	2,703,488
40,000	CMS Energy Corp.	209,606	1,186,400	188,000	World Wrestling Entertainment Inc., Cl. A	2,068,603	2,588,760
23,000	Connecticut Water Service Inc.	464,832	747,500			<u>24,212,075</u>	<u>59,576,343</u>
35,000	CONSOL Energy Inc.	1,265,887	1,325,100		Environmental Services — 0.4%		
11,000	Consolidated Water Co. Ltd.	141,093	128,480	10,000	Ceco Environmental Corp.	133,922	134,000
155,000	Covanta Holding Corp.	523,139	3,289,100	400,000	Republic Services Inc.	5,798,456	15,608,000
14,000	Dawson Geophysical Co.	389,818	254,520			<u>5,932,378</u>	<u>15,742,000</u>
107,000	Diamondback Energy Inc.†	5,614,876	8,001,460		Equipment and Supplies — 8.4%		
408,089	El Paso Electric Co.	5,933,161	14,915,653	44,000	A.O. Smith Corp.	328,585	2,080,320
75,000	Energy Recovery Inc.†	326,731	265,500	539,000	AMETEK Inc.	1,018,107	27,063,190
62,214	EXCO Resources Inc.	314,320	207,795	40,000	AZZ Inc.	1,262,250	1,670,800
20,000	Gamesa Corporacion Tecnologica SA†	117,491	220,479	15,000	Belden Inc.	175,366	960,300
190,000	Great Plains Energy Inc.	3,922,294	4,592,300	60,000	Capstone Turbine Corp.†	118,600	64,200
115,000	Hawaiian Electric Industries Inc.	2,912,836	3,053,250	534,000	CIRCOR International Inc.	15,100,155	35,954,220
65,000	Key Energy Services Inc.†	551,769	314,600	223,000	CLARCOR Inc.	1,454,445	14,066,840
45,000	Middlesex Water Co.	773,022	882,000	330,000	Core Molding Technologies Inc.†	654,777	4,679,400
95,000	National Fuel Gas Co.	5,556,830	6,649,050	165,000	Crown Holdings Inc.†	666,877	7,345,800
100,000	NorthWestern Corp.	2,966,899	4,536,000	4,000	Danaher Corp.	34,106	303,920
80,000	Oceanearing International Inc.	1,366,984	5,213,600	180,000	Donaldson Co. Inc.	1,558,860	7,313,400
300,000	Otter Tail Corp.	7,117,507	8,001,000	220,000	Entegris Inc.†	1,259,906	2,530,000
12,000	Patterson-UTI Energy Inc.	241,902	390,360	825,063	Federal Signal Corp.	5,841,119	10,923,834
1,255,000	PNM Resources Inc.	14,761,652	31,262,050	288,000	Flowserve Corp.	2,418,287	20,309,760
130,000	Rowan Companies plc, Cl. A	4,574,072	3,290,300	312,000	Franklin Electric Co. Inc.	1,506,366	10,838,880
2,370,129	RPC Inc.	3,583,935	52,048,033	218,000	Graco Inc.	6,772,083	15,909,640
156,000	SJW Corp.	3,085,012	4,191,720	1,488,550	GrafTech International Ltd.†	16,933,690	6,817,559
191,028	Southwest Gas Corp.	4,628,421	9,280,140	96,000	IDEX Corp.	751,281	6,947,520
221,020	Steel Excel Inc.†	5,944,981	7,238,405	485,000	Interpump Group SpA	2,937,559	6,086,008
329,000	SunEdison Inc.†	1,351,184	6,211,520	65,000	Itron Inc.†	2,718,990	2,555,150
40,000	Tesoro Corp.	422,462	2,439,200	10,500	Jarden Corp.†	115,037	631,155
24,000	The Laclede Group Inc.	954,584	1,113,600	40,000	Littelfuse Inc.	758,367	3,407,200
46,000	The York Water Co.	647,831	920,000				
14,000	Vestas Wind Systems A/S†	132,040	547,310				
220,000	Westar Energy Inc.	4,036,837	7,506,400				
		<u>101,417,847</u>	<u>215,816,495</u>				

See accompanying notes to financial statements.

The Gabelli Small Cap Growth Fund

Schedule of Investments (Continued) — September 30, 2014

Shares	Cost	Market Value	Shares	Cost	Market Value
COMMON STOCKS (Continued)					
Food and Beverage (Continued)					
32,000	Keurig Green Mountain Inc. ... \$ 881,282	\$ 4,164,160	59,000	CONMED Corp. \$ 1,505,771	\$ 2,173,560
1,325,000	Kikkoman Corp. 14,057,979	28,161,158	65,000	Cubist Pharmaceuticals Inc.† . 4,459,881	4,312,100
240,043	Lifeway Foods Inc.† 2,482,791	3,329,396	380,000	Cutera Inc.† 4,033,696	3,838,000
913,800	Maple Leaf Foods Inc. 16,867,910	15,600,568	92,000	DexCom Inc.† 888,100	3,679,080
3,000	MEIJI Holdings Co. Ltd. 117,526	237,155	28,000	DGT Holdings Corp.† 330,269	447,300
70,000	MGP Ingredients Inc. 331,262	914,900	52,000	Durata Therapeutics Inc.† 844,120	659,360
450,000	Morinaga Milk Industry Co. Ltd. 1,808,850	1,448,370	210,024	Exactech Inc.† 3,283,169	4,807,449
85,000	NISSIN FOODS HOLDINGS CO. LTD. 2,907,986	4,417,597	460,000	Geniva Health Services Inc.† . 4,856,714	7,718,800
30,000	Nutrisystem Inc. 382,707	461,100	43,000	Henry Schein Inc.† 844,050	5,008,210
3,970,000	Parmalat SpA 11,344,375	12,535,839	7,000	Heska Corp.† 66,328	92,330
280,000	Post Holdings Inc.† 9,882,281	9,290,400	47,000	ICU Medical Inc.† 2,175,859	3,016,460
162,000	Rock Field Co. Ltd. 2,539,700	2,867,034	100,000	Lexicon Pharmaceuticals Inc.† 195,732	141,000
620,036	Snyder's-Lance Inc. 13,102,929	16,430,954	90,000	Masimo Corp.† 2,387,320	1,915,200
38,400	The Boston Beer Co. Inc., Cl. A† 757,646	8,515,584	140,000	Meridian Bioscience Inc. 3,008,668	2,476,600
214,000	The Hain Celestial Group Inc.† 3,744,555	21,902,900	38,600	MWI Veterinary Supply Inc.† . . . 941,865	5,728,240
76,000	The J.M. Smucker Co. 2,608,859	7,523,240	12,000	Neogen Corp.† 195,096	474,000
185,000	The WhiteWave Foods Co.† . . . 2,425,256	6,721,050	100,000	Nobel Biocare Holding AG 1,811,540	1,775,427
700,000	Tingyi (Cayman Islands) Holding Corp. 1,792,917	1,839,057	135,000	NuVasive Inc.† 3,817,435	4,707,450
322,035	Tootsie Roll Industries Inc. 6,529,087	9,013,760	18,000	Ophthotech Corp.† 726,750	700,740
90,000	United Natural Foods Inc.† . . . 2,545,822	5,531,400	105,000	OPKO Health Inc.† 284,862	893,550
21,000	Vina Concha Y Toro SA, ADR . . . 787,224	834,540	90,000	Orthofix International NV† 1,579,174	2,786,400
1,400,000	Vitasoy International Holdings Ltd. 1,028,189	1,783,164	69,678	Owens & Minor Inc. 1,452,849	2,281,258
20,000	Willamette Valley Vineyards Inc.† 73,225	110,400	180,000	Pain Therapeutics Inc.† 622,397	703,800
150,000	Yakult Honsha Co. Ltd. 3,747,741	7,877,821	50,000	Patterson Companies Inc. 1,908,401	2,071,500
	<u>158,937,891</u>	<u>276,813,547</u>	636,000	Quidel Corp.† 7,144,104	17,089,320
			210,000	RTI Surgical Inc.† 1,057,768	1,003,800
			950,000	Sorin SpA† 2,406,255	2,327,814
			54,084	STERIS Corp. 1,726,476	2,918,373
			2,300	Straumann Holding AG 206,988	521,818
			3,000	Stryker Corp. 142,188	242,250
			27,000	SurModics Inc.† 556,982	490,320
			14,000	Syneron Medical Ltd.† 116,750	140,280
			60,000	Tetraphase Pharmaceuticals Inc.† 751,275	1,197,000
			29,000	The Cooper Companies Inc. . . . 1,198,854	4,516,750
			45,500	United-Guardian Inc. 411,719	1,016,015
			75,000	Vascular Solutions Inc.† 573,743	1,852,500
			390,000	Wright Medical Group Inc.† . . . 6,239,716	11,817,000
				<u>83,151,221</u>	<u>170,377,435</u>
				Home Furnishings — 0.4%	
				Bassett Furniture Industries Inc. 2,326,401	2,896,603
			212,050	Bed Bath & Beyond Inc.† 1,249,417	2,896,520
			44,000	Blyth Inc. 2,027,167	1,136,800
			140,000	Ethan Allen Interiors Inc. 4,255,759	3,762,000
			165,000	La-Z-Boy Inc. 4,355,724	4,353,800
			220,000	<u>14,214,468</u>	<u>15,045,723</u>
				Hotels and Gaming — 3.0%	
			160,000	Belmond Ltd., Cl. A† 1,902,821	1,865,600
			505,608	Boyd Gaming Corp.† 4,202,241	5,136,977

See accompanying notes to financial statements.

The Gabelli Small Cap Growth Fund

Schedule of Investments (Continued) — September 30, 2014

Shares		Cost	Market Value	Shares		Cost	Market Value
	COMMON STOCKS (Continued)						
	Hotels and Gaming (Continued)						
140,000	Canterbury Park Holding Corp.†	\$ 1,455,099	\$ 1,429,400	20,000	Constellium NV, Cl. A†	\$ 481,042	\$ 492,200
234,000	Churchill Downs Inc.	9,827,171	22,815,000	45,000	Ivanhoe Mines Ltd., Cl. A†	117,783	45,806
150,000	Dover Downs Gaming & Entertainment Inc.†	792,728	148,500	140,000	Kinross Gold Corp.†	962,642	462,000
85,000	Gaming and Leisure Properties Inc.	1,416,331	2,626,500	200,000	Lynas Corp Ltd.†	184,524	14,009
1,000,000	Genting Singapore plc.	1,037,954	893,627	348,000	Materion Corp.	7,898,592	10,673,160
18,000	Home Inns & Hotels Management Inc., ADR†	343,247	521,820	40,000	Molycorp Inc.†	456,503	47,600
200,000	International Game Technology	2,909,448	3,374,000	52,100	Stillwater Mining Co.†	477,514	783,063
42,500	Lakes Entertainment Inc.†	378,721	354,025	4,000	TimkenSteel Corp.	118,989	185,960
173,000	Las Vegas Sands Corp.	908,003	10,762,330	245,000	Turquoise Hill Resources Ltd.†	1,368,145	916,300
2,450,000	Mandarin Oriental International Ltd.	3,616,128	4,299,750	15,000	Yamana Gold Inc.	50,671	90,000
100,000	Morgans Hotel Group Co.†	719,616	807,000			<u>16,573,805</u>	<u>20,835,112</u>
34,000	Multimedia Games Holding Co. Inc.†	1,004,201	1,224,340				
65,000	Penn National Gaming Inc.†	252,252	728,650		Paper and Forest Products — 0.1%		
385,000	Pinnacle Entertainment Inc.†	3,016,804	9,659,650	16,500	Schweitzer-Mauduit International Inc.	379,501	681,615
524,000	Ryman Hospitality Properties Inc.	14,563,133	24,785,200	240,000	Wausau Paper Corp.	2,282,796	1,903,200
2,900,000	The Hongkong & Shanghai Hotels Ltd.	3,109,105	4,235,240			<u>2,662,297</u>	<u>2,584,815</u>
375,057	The Marcus Corp.	4,773,061	5,925,901				
24,000	Wynn Resorts Ltd.	199,481	4,489,920		Publishing — 1.2%		
		<u>56,427,545</u>	<u>106,083,430</u>	80,000	Cambium Learning Group Inc.†	261,134	121,600
				2,600	Graham Holdings Co., Cl. B.	1,871,954	1,818,934
				815,000	Il Sole 24 Ore SpA†	1,281,655	719,030
				12,000	John Wiley & Sons Inc., Cl. B.	46,500	677,820
				1,135,000	Journal Communications Inc., Cl. A†	5,819,336	9,568,050
				1,620,000	Media General Inc.†	8,191,413	21,238,200
				45,000	Meredith Corp.	1,246,283	1,926,000
				65,000	News Corp., Cl. A†	91,837	1,062,750
				398,000	The E.W. Scripps Co., Cl. A†	2,564,268	6,491,380
						<u>21,374,380</u>	<u>43,623,764</u>
					Real Estate — 1.2%		
262,500	Astec Industries Inc.	9,418,877	9,573,375	50,000	Capital Properties Inc., Cl. A†	573,002	549,250
1,680,000	CNH Industrial NV.	5,634,730	13,322,400	152,000	Cohen & Steers Inc.	3,563,101	5,842,880
33,000	Global Power Equipment Group Inc.	653,343	491,700	221,968	Griffin Land & Nurseries Inc.	3,724,670	6,370,482
88,000	Kennametal Inc.	2,891,418	3,635,280	8,400	Gyrodyne Special Distribution, LLC†	173,880	173,880
6,000	Nordson Corp.	107,171	456,420	105,000	Morguard Corp.	1,338,795	13,500,603
136,000	Twin Disc Inc.	3,079,957	3,666,560	94,147	Tejon Ranch Co.†	2,753,146	2,639,882
		<u>21,785,496</u>	<u>31,145,735</u>	660,000	The St. Joe Co.†	12,655,715	13,153,800
						<u>24,782,309</u>	<u>42,230,777</u>
					Retail — 5.9%		
90,015	Cavco Industries Inc.†	2,500,286	6,121,020	320,000	Aaron's Inc.†	3,105,141	7,782,400
15,000	Drew Industries Inc.	255,948	632,850	200,000	AutoNation Inc.†	3,399,442	10,062,000
42,000	Nobility Homes Inc.†	500,123	441,000	32,000	Barnes & Noble Inc.†	445,298	631,680
4,000	Polaris Industries Inc.	215,902	599,160	10,000	Best Buy Co. Inc.	208,468	335,900
88,490	Skyline Corp.†	527,722	365,464	325,061	Big 5 Sporting Goods Corp. .	4,485,740	3,045,822
58,000	Winnebago Industries Inc.†	685,542	1,262,660	34,334	Biglari Holdings Inc.†	8,861,949	11,665,320
		<u>4,685,523</u>	<u>9,422,154</u>	340,000	Casey's General Stores Inc.	12,449,146	24,378,000
				50,000	Coldwater Creek Inc.†	71,495	480
52,003	Barrick Gold Corp.	1,522,648	762,364				
245,000	Century Aluminum Co.†	2,934,752	6,362,650				

See accompanying notes to financial statements.

The Gabelli Small Cap Growth Fund

Schedule of Investments (Continued) — September 30, 2014

Shares	Cost	Market Value	Shares	Cost	Market Value
	COMMON STOCKS (Continued)				
	Retail (Continued)				
82,000	Copart Inc.†	\$ 1,407,742	13,000	Quaker Chemical Corp.	\$ 214,482
1,000	Cracker Barrel Old Country Store Inc.		100,000	Rockwood Holdings Inc.	1,697,175
			250,000	Sensient Technologies Corp.	5,092,725
			611,765	Zep Inc.	8,515,520
					<u>68,837,589</u>
395,037	CST Brands Inc.	13,282,671			<u>150,183,330</u>
470,000	Dominion Diamond Corp.†	6,776,799		Telecommunications — 1.3%	
2,500	Dunkin' Brands Group Inc.	47,500	100,000	Atlantic Tele-Network Inc.	4,062,598
19,000	Fairway Group Holdings Corp.†	151,140	2,500,000	Cincinnati Bell Inc.†	8,240,660
			6,795	Community Service Communications Inc.	0
9,000	GNC Holdings Inc., Cl. A	389,947			4,077
100,000	HSN Inc.	2,992,916	105,000	Eventis Corp.	903,271
670,051	Ingles Markets Inc., Cl. A	11,117,250	200,000	Gogo Inc.†	3,728,342
640,000	J.C. Penney Co. Inc.†	8,107,957	250,000	HC2 Holdings Inc.†	993,692
380,000	Krispy Kreme Doughnuts Inc.†	2,420,097	6,000	IDT Corp., Cl. B	57,867
			340,025	Ixia†	5,049,105
180,000	Macy's Inc.	2,590,692	30,000	Loral Space & Communications Inc.†	1,155,997
58,000	Movado Group Inc.	756,058			2,154,300
108,000	Murphy USA Inc.†	4,233,837	129,000	New ULM Telecom Inc.	1,212,089
157,000	Nathan's Famous Inc.†	2,358,179	115,000	Rogers Communications Inc., Cl. B	555,319
100,000	Penske Automotive Group Inc.	1,476,842			4,303,300
			116,005	Shenandoah Telecommunications Co.	982,995
580,000	Pier 1 Imports Inc.	6,896,028			2,878,084
33,000	Regis Corp.	653,714	400,000	Sprint Corp.†	2,268,591
290,000	Rush Enterprises Inc., Cl. B†	3,282,048	37,584	Verizon Communications Inc.	846,702
3,100	Sprouts Farmers Market Inc.†	57,829	815,000	VimpelCom Ltd., ADR	2,480,014
					<u>32,537,242</u>
445,000	The Bon-Ton Stores Inc.	3,827,907			<u>44,043,573</u>
400,000	The Cheesecake Factory Inc.	11,223,417		Transportation — 0.9%	
165,000	The Wendy's Co.	1,329,631	477,000	GATX Corp.	14,579,829
241,000	Tractor Supply Co.	2,195,417	20,000	Irish Continental Group plc	14,688
42,043	Village Super Market Inc., Cl. A	1,097,293	50,000	Navigator Holdings Ltd.†	1,184,409
			133,000	Providence and Worcester Railroad Co.	1,888,133
9,000	Vitamin Shoppe, Inc.†	383,427			2,326,170
56,000	Weis Markets Inc.	1,772,705			<u>17,667,059</u>
2,000	Winmark Corp.	139,365		Wireless Communications — 0.9%	
8,000	Yoox SpA†	230,385	35,300,000	Cable & Wireless Communications plc	30,664,202
					26,839,107
			33,000	Millicom International Cellular SA, SDR	2,646,008
					2,650,152
28,000	A. Schulman Inc.	660,272	540,105	NII Holdings Inc.†	366,004
17,500	Airgas Inc.	537,467	45,000	United States Cellular Corp.†	1,803,405
78,000	Albermarle Corp.	1,222,988			<u>35,479,619</u>
67,000	Ashland Inc.	1,081,691			<u>31,115,565</u>
834,800	Chemtura Corp.†	17,806,105		TOTAL COMMON STOCKS	<u>1,645,061,053</u>
24,000	Cytec Industries Inc.	358,846			<u>3,120,686,868</u>
2,260,900	Ferro Corp.†	14,872,365		PREFERRED STOCKS — 0.1%	
305,000	H.B. Fuller Co.	4,074,383		Automotive: Parts and Accessories — 0.1%	
15,104	Hawkins Inc.	470,425	47,000	Junghheinrich AG	969,525
1,100,000	Huntsman Corp.	8,143,516			<u>2,649,104</u>
20,000	NewMarket Corp.	2,078,548			
300,000	OMNOVA Solutions Inc.†	574,864			
120,033	Penford Corp.†	1,436,217			

See accompanying notes to financial statements.

The Gabelli Small Cap Growth Fund
Schedule of Investments (Continued) — September 30, 2014

<u>Shares</u>	<u>Cost</u>	<u>Market Value</u>	<u>Principal Amount</u>	<u>Cost</u>	<u>Market Value</u>
	CONVERTIBLE PREFERRED STOCKS — 0.0%			U.S. GOVERNMENT OBLIGATIONS — 11.5%	
	Diversified Industrial — 0.0%		\$404,274,000	U.S. Treasury Bills,	
60,098	Sevcon Inc.,			0.000% to 0.100%††,	
	4.000%, Ser. A	\$ 1,292,107		10/09/14 to 03/26/15	\$ 404,225,472 \$ 404,253,083
		\$ 1,469,396			
	RIGHTS — 0.0%			TOTAL	
	Health Care — 0.0%			INVESTMENTS — 100.3% ..	
500,000	Sanofi, CVR,			\$ 2,053,013,993	3,529,973,620
	expire 12/31/20†	690,854			
		232,500			
	Wireless Communications — 0.0%			Other Assets and Liabilities	
200,000	Leap Wireless International			(Net) — (0.3)%	
	Inc., CVR,			(11,739,074)	
	expire 03/14/16†	463,949		NET ASSETS — 100.0%	
		504,000		\$ 3,518,234,546	
	TOTAL RIGHTS	1,154,803			
		736,500			
	WARRANTS — 0.0%				
	Automotive: Parts and Accessories — 0.0%				
4,531	Federal-Mogul Holdings				
	Corp., expire 12/27/14†....	87,687			
		6			
	Real Estate — 0.0%				
11,091	Tejon Ranch Co., expire				
	08/31/16†	66,494			
		22,737			
	TOTAL WARRANTS	154,181			
		22,743			
Principal Amount					
	CORPORATE BONDS — 0.0%				
	Real Estate — 0.0%				
\$ 65,376	Capital Properties Inc.,				
	5.000%, 12/31/22	65,376			
		64,450			
93,191	Gyrodyne Co. of America Inc.,				
	Sub. Deb.,				
	5.000%, 06/30/17	91,476			
		91,476			
	TOTAL CORPORATE BONDS ..	156,852			
		155,926			

(a) Security considered an affiliated holding because the Fund owns at least 5% of its outstanding shares.
† Non-income producing security.
†† Represents annualized yield at date of purchase.
ADR American Depositary Receipt
CVR Contingent Value Right
SDR Swedish Depositary Receipt

See accompanying notes to financial statements.

The Gabelli Small Cap Growth Fund

Statement of Assets and Liabilities September 30, 2014

Assets:	
Investments, at value (cost \$2,036,237,972) ..	\$3,500,998,395
Investments in affiliates, at value (cost \$16,776,021)	28,975,225
Foreign currency, at value (cost \$12,158)	13,371
Cash	54,182
Receivable for Fund shares sold	3,764,030
Receivable for investments sold	1,112,496
Dividends and interest receivable	2,256,314
Prepaid expenses	44,168
Total Assets	<u>3,537,218,181</u>
Liabilities:	
Payable for investments purchased	10,455,711
Payable for Fund shares redeemed	3,769,692
Payable for investment advisory fees	2,982,260
Payable for distribution fees	705,181
Payable for accounting fees	15,000
Other accrued expenses	1,055,791
Total Liabilities	<u>18,983,635</u>
Net Assets (applicable to 75,187,701 shares outstanding)	<u>\$3,518,234,546</u>
Net Assets Consist of:	
Paid-in capital	\$2,001,003,090
Accumulated net investment loss	(8,914,375)
Accumulated net realized gain on investments and foreign currency transactions	49,186,159
Net unrealized appreciation on investments ..	1,476,959,627
Net unrealized appreciation on foreign currency translations	45
Net Assets	<u>\$3,518,234,546</u>
Shares of Capital Stock, each at \$0.001 par value:	
Class AAA:	
Net Asset Value, offering, and redemption price per share (\$2,103,543,953 ÷ 44,844,582 shares outstanding; 150,000,000 shares authorized)	<u>\$46.91</u>
Class A:	
Net Asset Value and redemption price per share (\$292,795,820 ÷ 6,244,545 shares outstanding; 50,000,000 shares authorized) ..	<u>\$46.89</u>
Maximum offering price per share (NAV ÷ 0.9425, based on maximum sales charge of 5.75% of the offering price)	<u>\$49.75</u>
Class C:	
Net Asset Value and offering price per share (\$222,683,686 ÷ 5,176,927 shares outstanding; 50,000,000 shares authorized) ..	<u>\$43.01(a)</u>
Class I:	
Net Asset Value, offering, and redemption price per share (\$899,211,087 ÷ 18,921,647 shares outstanding; 50,000,000 shares authorized)	<u>\$47.52</u>

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

Statement of Operations For the Year Ended September 30, 2014

Investment Income:	
Dividends - unaffiliated (net of foreign withholding taxes of \$434,669)	\$ 38,813,870
Dividends - affiliated	153,273
Interest	339,152
Total Investment Income	<u>39,306,295</u>
Expenses:	
Investment advisory fees	35,927,009
Distribution fees - Class AAA	5,849,875
Distribution fees - Class A	847,092
Distribution fees - Class C	2,205,920
Shareholder services fees	3,283,887
Shareholder communication expenses	556,229
Custodian fees	363,705
Registration expenses	143,628
Directors' fees	99,601
Legal and audit fees	69,174
Accounting fees	45,000
Interest expense	354
Miscellaneous expenses	153,481
Total Expenses	<u>49,544,955</u>
Less:	
Advisory fee reduction on unsupervised assets (Note 3)	<u>(162,643)</u>
Net Expenses	<u>49,382,312</u>
Net Investment Loss	<u>(10,076,017)</u>
Net Realized and Unrealized Gain/(Loss) on Investments and Foreign Currency:	
Net realized gain on investments - unaffiliated ..	68,073,908
Net realized loss on investments - affiliated	(60,052)
Net realized loss on foreign currency transactions	<u>(15,503)</u>
Net realized gain on investments and foreign currency transactions	<u>67,998,353</u>
Net change in unrealized appreciation/depreciation:	
on investments	119,218,625
on foreign currency translations	<u>(1,599)</u>
Net change in unrealized appreciation/ depreciation on investments and foreign currency translations	<u>119,217,026</u>
Net Realized and Unrealized Gain/(Loss) on Investments and Foreign Currency	<u>187,215,379</u>
Net Increase in Net Assets Resulting from Operations	<u>\$177,139,362</u>

See accompanying notes to financial statements.

The Gabelli Small Cap Growth Fund

Statement of Changes in Net Assets

	<u>Year Ended September 30, 2014</u>	<u>Year Ended September 30, 2013</u>
Operations:		
Net investment income/(loss)	\$ (10,076,017)	\$ 12,543,578
Net realized gain on investments, futures contracts, and foreign currency transactions	67,998,353	107,239,721
Net change in unrealized appreciation/depreciation on investments and foreign currency translations	<u>119,217,026</u>	<u>587,704,712</u>
Net Increase in Net Assets Resulting from Operations	<u>177,139,362</u>	<u>707,488,011</u>
Distributions to Shareholders:		
Net investment income		
Class AAA	—	(10,780,896)
Class A	—	(1,263,153)
Class I	—	(4,204,003)
	<u>—</u>	<u>(16,248,052)</u>
Net realized gain		
Class AAA	(68,072,369)	(35,142,355)
Class A	(9,652,279)	(3,923,350)
Class C	(6,557,956)	(2,560,469)
Class I	<u>(17,986,622)</u>	<u>(7,900,812)</u>
	<u>(102,269,226)</u>	<u>(49,526,986)</u>
Total Distributions to Shareholders	<u>(102,269,226)</u>	<u>(65,775,038)</u>
Capital Share Transactions:		
Class AAA	(128,027,101)	189,362,947
Class A	(22,094,719)	80,344,935
Class C	34,143,378	51,376,747
Class I	<u>327,375,183</u>	<u>116,738,688</u>
Net Increase in Net Assets from Capital Share Transactions	<u>211,396,741</u>	<u>437,823,317</u>
Redemption Fees	<u>24,979</u>	<u>23,251</u>
Net Increase in Net Assets	286,291,856	1,079,559,541
Net Assets:		
Beginning of year	<u>3,231,942,690</u>	<u>2,152,383,149</u>
End of year (including undistributed net investment income of \$0 and \$0, respectively)	<u>\$3,518,234,546</u>	<u>\$3,231,942,690</u>

See accompanying notes to financial statements.

The Gabelli Small Cap Growth Fund

Financial Highlights

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

Year Ended September 30	Income (Loss) from Investment Operations				Distributions			Ratio to Average Net Assets/ Supplemental Data						
	Net Asset Value, Beginning of Year	Net Investment Income (Loss) (a)(b)	Unrealized Gain (Loss) on Investments	Total from Investment Operations	Net Investments Income	Net Realized Gain on Investments	Total Distributions	Redemption Fees (b)(c)	Net Asset Value, End of Year	Total Return †	Net Assets End of Year (in 000's)	Net Investment Income (Loss) (a)	Operating Expenses (d)	Portfolio turnover Rate
Class AAA														
2014	\$45.82	\$(0.14)	\$ 2.65	\$ 2.51	—	\$(1.42)	\$(1.42)	\$0.00	\$46.91	5.47%	\$2,103,544	(0.28)%	1.38%	5%
2013	35.84	0.20	10.87	11.07	\$(0.25)	(0.84)	(1.09)	0.00	45.82	31.82	2,171,213	0.50	1.39	5
2012	29.16	(0.03)	7.46	7.43	—	(0.75)	(0.75)	0.00	35.84	25.98	1,535,477	(0.09)	1.41	7
2011	29.97	(0.10)	(0.71)	(0.81)	—	—	—	0.00	29.16	(2.70)	1,539,100	(0.30)	1.42	14
2010	25.81	(0.06)	4.22	4.16	—	—	—	0.00	29.97	16.12	1,435,780	(0.23)	1.44	14
Class A														
2014	\$45.80	\$(0.14)	\$ 2.65	\$ 2.51	—	\$(1.42)	\$(1.42)	\$0.00	\$46.89	5.47%	\$ 292,796	(0.28)%	1.38%	5%
2013	35.84	0.17	10.89	11.06	\$(0.26)	(0.84)	(1.10)	0.00	45.80	31.80	305,617	0.43	1.39	5
2012	29.15	(0.03)	7.47	7.44	—	(0.75)	(0.75)	0.00	35.84	26.02	169,823	(0.08)	1.41	7
2011	29.96	(0.10)	(0.71)	(0.81)	—	—	—	0.00	29.15	(2.70)	145,049	(0.31)	1.42	14
2010	25.81	(0.06)	4.21	4.15	—	—	—	0.00	29.96	16.08	115,265	(0.22)	1.44	14
Class C														
2014	\$42.43	\$(0.46)	\$ 2.46	\$ 2.00	—	\$(1.42)	\$(1.42)	\$0.00	\$43.01	4.68%	\$ 222,684	(1.03)%	2.13%	5%
2013	33.27	(0.12)	10.12	10.00	—	(0.84)	(0.84)	0.00	42.43	30.80	186,540	(0.32)	2.14	5
2012	27.31	(0.26)	6.97	6.71	—	(0.75)	(0.75)	0.00	33.27	25.08	102,214	(0.83)	2.16	7
2011	28.28	(0.34)	(0.63)	(0.97)	—	—	—	0.00	27.31	(3.43)	81,289	(1.05)	2.17	14
2010	24.54	(0.25)	3.99	3.74	—	—	—	0.00	28.28	15.24	64,830	(0.98)	2.19	14
Class I														
2014	\$46.29	\$(0.01)	\$ 2.66	\$ 2.65	—	\$(1.42)	\$(1.42)	\$0.00	\$47.52	5.72%	\$ 899,211	(0.03)%	1.13%	5%
2013	36.29	0.29	10.99	11.28	\$(0.44)	(0.84)	(1.28)	0.00	46.29	32.14	568,573	0.71	1.14	5
2012	29.44	0.08	7.52	7.60	—	(0.75)	(0.75)	0.00	36.29	26.31	344,869	0.24	1.16	7
2011	30.18	(0.02)	(0.72)	(0.74)	—	—	—	0.00	29.44	(2.45)	164,494	(0.05)	1.17	14
2010	25.93	0.01	4.24	4.25	—	—	—	0.00	30.18	16.39	135,112	0.02	1.19	14

† Total return represents aggregate total return of a hypothetical \$1,000 investment at the beginning of the year and sold at the end of the year including reinvestment of distributions and does not reflect applicable sales charges.

(a) Due to capital share activity throughout the period, net investment income (loss) per share and the ratio to average net assets are not necessarily correlated among the different classes of shares.

(b) Per share amounts have been calculated using the average shares outstanding method.

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

(d) The ratios do not include a reduction of advisory fee on unsupervised assets for the years ended September 30, 2014, 2013, 2012, 2011, and 2010. Including such advisory fee reduction on unsupervised assets, the ratios of operating expenses to average net assets would have been 1.38%, 1.39%, 1.40%, 1.41%, and 1.42% (Class AAA and Class A), 2.13%, 2.14%, 2.15%, 2.16%, and 2.17% (Class C), and 1.13%, 1.14%, 1.15%, 1.16%, and 1.17% (Class I), respectively.

See accompanying notes to financial statements.

The Gabelli Small Cap Growth Fund

Notes to Financial Statements

1. Organization. The Gabelli Small Cap Growth Fund is a series of the Gabelli Equity Series Funds, Inc. (the “Corporation”). The Corporation was incorporated on July 25, 1991 in Maryland. The Fund is a 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 of the Corporation. The Fund seeks to provide a high level of capital appreciation. Gabelli Funds, LLC (the “Adviser”) currently characterizes small capitalization companies for the Fund as those with total common stock market values of \$3 billion or less at the time of investment. The Fund commenced investment operations on October 22, 1991.

2. Significant Accounting Policies. The Fund’s financial statements are prepared in accordance with U.S. Generally Accepted Accounting Principles (“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 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. U.S. government obligations with maturities greater than sixty days are normally valued using a model that incorporates market observable data such as reported sales of similar securities, broker quotes, yields, bids, offers, and reference data. Certain securities are valued principally using dealer quotations. Futures contracts are valued at the closing settlement price of the exchange or board of trade on which the applicable contract is traded.

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

Notes to Financial Statements (Continued)

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

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input both individually and in the aggregate that is significant to the fair value measurement. 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 in securities by inputs used to value the Fund's investments as of September 30, 2014 is as follows:

	Valuation Inputs			Total Market Value at 9/30/14
	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	
INVESTMENTS IN SECURITIES:				
ASSETS (Market Value):				
Common Stocks:				
Automotive: Parts and Accessories	\$ 227,538,588	—	\$ 70	\$ 227,538,658
Consumer Products	46,188,960	—	262	46,189,222
Financial Services	170,292,066	—	656	170,292,722
Food and Beverage	276,164,468	—	649,079	276,813,547
Health Care	170,307,435	—	70,000	170,377,435
Real Estate	42,056,897	—	173,880	42,230,777
Other Industries (a)	2,187,244,507	—	—	2,187,244,507
Total Common Stocks	3,119,792,921	—	893,947	3,120,686,868
Preferred Stocks (a)	2,649,104	—	—	2,649,104
Convertible Preferred Stocks (a)	—	\$ 1,469,396	—	1,469,396
Rights				
Health Care	232,500	—	—	232,500
Wireless Communications	—	—	504,000	504,000
Total Rights	232,500	—	504,000	736,500
Warrants (a)	22,743	—	—	22,743
Corporate Bonds (a)	—	64,450	91,476	155,926
U.S. Government Obligations	—	404,253,083	—	404,253,083
TOTAL INVESTMENTS IN SECURITIES – ASSETS	\$3,122,697,268	\$405,786,929	\$1,489,423	\$3,529,973,620

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

The Fund had no material transfers among Level 1, Level 2, and Level 3 during the year ended September 30, 2014. The Fund's policy is to recognize transfers among Levels as of the beginning of the reporting period.

Additional Information to Evaluate Qualitative Information.

General. The Fund uses recognized industry pricing services – approved by the Board and unaffiliated with the Adviser – to value most of its securities, and uses broker quotes provided by market makers of securities not valued by these and other recognized pricing sources. Several different pricing feeds are received to value domestic equity securities, international equity securities, preferred equity securities, and fixed income securities.

The Gabelli Small Cap Growth Fund

Notes to Financial Statements (Continued)

The data within these feeds is ultimately sourced from major stock exchanges and trading systems where these securities trade. The prices supplied by external sources are checked by obtaining quotations or actual transaction prices from market participants. If a price obtained from the pricing source is deemed unreliable, prices will be sought from another pricing service or from a broker/dealer that trades that security or similar securities.

Fair Valuation. Fair valued securities may be common and preferred equities, warrants, options, rights, and fixed income obligations. Where appropriate, Level 3 securities are those for which market quotations are not available, such as securities not traded for several days, or for which current bids are not available, or which are restricted as to transfer. Among the factors to be considered to fair value a security are recent prices of comparable securities that are publicly traded, reliable prices of securities not publicly traded, the use of valuation models, current analyst reports, valuing the income or cash flow of the issuer, or cost if the preceding factors do not apply. A significant change in the unobservable inputs could result in a lower or higher value in Level 3 securities. The circumstances of Level 3 securities are frequently monitored to determine if fair valuation measures continue to apply.

The Adviser reports quarterly to the Board the results of the application of fair valuation policies and procedures. These include back testing the prices realized in subsequent trades of these fair valued securities to fair values previously recognized.

Derivative Financial Instruments. The Fund may engage in various portfolio investment strategies by investing in a number of derivative financial instruments for the purposes of increasing the income of the Fund, hedging against changes in the value of its portfolio securities and in the value of securities it intends to purchase, or hedging against a specific transaction with respect to either the currency in which the transaction is denominated or another currency. Investing in certain derivative financial instruments, including participation in the options, futures, or swap markets, entails certain execution, liquidity, hedging, tax, and securities, interest, credit, or currency market risks. Losses may arise if the Adviser's prediction of movements in the direction of the securities, foreign currency, and interest rate markets is inaccurate. Losses may also arise if the counterparty does not perform its duties under a contract, or that, in the event of default, the Fund may be delayed in or prevented from obtaining payments or other contractual remedies owed to it under derivative contracts. The creditworthiness of the counterparties is closely monitored in order to minimize these risks. Participation in derivative transactions involves investment risks, transaction costs, and potential losses to which the Fund would not be subject absent the use of these strategies. The consequences of these risks, transaction costs, and losses may have a negative impact on the Fund's ability to pay distributions.

The Fund's derivative contracts held at September 30, 2014, if any, are not accounted for as hedging instruments under GAAP and are disclosed in the Schedule of Investments together with the related counterparty.

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

The Gabelli Small Cap Growth Fund

Notes to Financial Statements (Continued)

There are several risks in connection with the use of futures contracts as a hedging instrument. The change in value of futures contracts primarily corresponds with the value of their underlying instruments, which may not correlate with the change in value of the investments. In addition, there is the risk that the Fund may not be able to enter into a closing transaction because of an illiquid secondary market. During the year ended September 30, 2014, the Fund held no investments in futures contracts.

Foreign Currency Translations. The books and records of the Fund are maintained in U.S. dollars. Foreign currencies, investments, and other assets and liabilities are translated into U.S. dollars at current exchange rates. Purchases and sales of investment securities, income, and expenses are translated at the exchange rate prevailing on the respective dates of such transactions. Unrealized gains and losses that result from changes in foreign exchange rates and/or changes in market prices of securities have been included in unrealized appreciation/depreciation on investments and foreign currency translations. Net realized foreign currency gains and losses resulting from changes in exchange rates include foreign currency gains and losses between trade date and settlement date on investment securities transactions, foreign currency transactions, and the difference between the amounts of interest and dividends recorded on the books of the Fund and the amounts actually received. The portion of foreign currency gains and losses related to fluctuation in exchange rates between the initial purchase trade date and subsequent sale trade date is included in realized gain/(loss) on investments.

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, securities of many foreign issuers and their markets may be less liquid and their prices more volatile than 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.

Restricted Securities. The Fund may invest up to 15% of its net assets in securities for which the markets are restricted. Restricted securities include securities whose disposition is subject to substantial legal or contractual restrictions. The sale of restricted securities often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than does the sale of securities eligible for trading on national securities exchanges or in the over-the-counter markets. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale. Securities freely saleable among qualified institutional investors under special rules adopted by the SEC may be treated as liquid if they satisfy liquidity standards established by the Board. The continued liquidity of such securities is not as well assured as that of publicly traded securities, and accordingly the Board will monitor their liquidity. At September 30, 2014, the Fund held no restricted securities.

Securities Transactions and Investment Income. Securities transactions are accounted for on the trade date with realized gain/(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

The Gabelli Small Cap Growth Fund

Notes to Financial Statements (Continued)

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 from foreign securities that are recorded as soon after the ex-dividend date as the Fund becomes aware of such dividends.

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.

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 GAAP. These differences are primarily due to differing treatments of income and gains on various investment securities and foreign currency transactions held by the Fund, timing differences, and differing characterizations of distributions made by the Fund. Distributions from net investment income for federal income tax purposes include net realized gains on foreign currency transactions. 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. Permanent differences were primarily due to the current year write-off of net operating loss and reclass of short term gains to ordinary income. These reclassifications have no impact on the NAV of the Fund. For the year ended September 30, 2014, reclassifications were made to decrease accumulated net investment loss by \$7,339,603 and decrease accumulated net realized gain on investments and foreign currency transactions by \$2,157,142, with an offsetting adjustment to paid-in capital.

The tax character of distributions paid during the years ended September 30, 2014 and 2013 was as follows:

	<u>Year Ended</u> <u>September 30, 2014</u>	<u>Year Ended</u> <u>September 30, 2013</u>
Distributions paid from:		
Ordinary income (inclusive of short term capital gains)	—	\$20,400,015
Net long term capital gains	\$102,269,226	45,375,023
Total distributions paid	<u>\$102,269,226</u>	<u>\$65,775,038</u>

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.

The Gabelli Small Cap Growth Fund

Notes to Financial Statements (Continued)

At September 30, 2014, the components of accumulated earnings/losses on a tax basis were as follows:

Undistributed long term capital gains	\$ 67,024,445
Net unrealized appreciation on investments	1,458,880,520
Other temporary differences*	<u>(8,673,509)</u>
Total	<u>\$1,517,231,456</u>

* Other temporary differences are primarily due to adjustments on qualified late year loss deferral.

Under the Regulated Investment Company Modernization Act of 2010, the Fund is permitted to carry forward for an unlimited period capital losses incurred. As a result of the rule, post-enactment capital losses that are carried forward will retain their character as either short term or long term capital losses.

At September 30, 2014, the temporary difference between book basis and tax basis net unrealized appreciation on investments was primarily due to deferral of losses from wash sales for tax purposes, mark-to-market adjustments on investments in passive foreign investment companies, and basis adjustments on investments in partnerships.

The following summarizes the tax cost of investments and the related net unrealized appreciation at September 30, 2014:

	<u>Cost</u>	<u>Gross Unrealized Appreciation</u>	<u>Gross Unrealized Depreciation</u>	<u>Net Unrealized Appreciation</u>
Investments	\$2,071,093,145	\$1,542,215,052	\$(83,334,577)	\$1,458,880,475

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. As of September 30, 2014, 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. The Fund's federal and state tax returns for the prior three fiscal years remain open, subject to examination. 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.

There was a reduction in the advisory fee paid to the Adviser relating to certain portfolio holdings, i.e., unsupervised assets of the Fund with respect to which the Adviser transferred dispositive and voting control to the Fund's Proxy Voting Committee. During the year ended September 30, 2014, the Fund's Proxy Voting Committee exercised control and discretion over all rights to vote or consent with respect to such securities, and the Adviser reduced its fee with respect to such securities by \$162,643.

The Gabelli Small Cap Growth Fund

Notes to Financial Statements (Continued)

The Corporation pays each Director who is not considered an affiliated person an annual retainer of \$18,000 plus \$2,000 for each Board meeting attended, and they are reimbursed for any out of pocket expenses incurred in attending meetings. All Board committee members receive \$1,000 per meeting attended. The Chairman of the Audit Committee receives a \$3,000 annual fee, and the Lead Director receives an annual fee of \$2,000. A Director may receive a single meeting fee, allocated among the participating funds, for attending 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. Under the Class AAA, Class A, and Class C Share Plans, payments are authorized to G.distributors, LLC (the "Distributor") an affiliate of the Adviser, 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 during the year ended September 30, 2014, other than short term securities and U.S. Government obligations, aggregated \$369,077,236 and \$160,337,658, respectively.

6. Transactions with Affiliates. During the year ended September 30, 2014, the Fund paid brokerage commissions on security trades of \$288,863 to G.research, Inc., an affiliate of the Adviser. Additionally, the Distributor retained a total of \$159,937 from investors representing commissions (sales charges and underwriting fees) on sales and redemptions of Fund shares.

The cost of calculating the Fund's NAV per share is a Fund expense pursuant to the Advisory Agreement. During the year ended September 30, 2014, the Fund paid or accrued \$45,000 to the Adviser in connection with the cost of computing the Fund's NAV.

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 rate 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 year ended September 30, 2014, 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 the Distributor, through selected broker/dealers, or the transfer agent. Class I Shares are offered without a sales charge, directly through the Distributor, or brokers that have entered into selling agreements specifically with respect to Class I Shares. Class A Shares are subject to a maximum front-end sales charge of 5.75%. Class C Shares are subject to a 1.00% contingent deferred sales charge for one year after purchase.

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 as an increase in paid-in capital. The redemption fees retained by the Fund during the years ended September 30, 2014 and 2013, if any, can be found in the Statement of Changes in Net Assets under Redemption Fees.

The Gabelli Small Cap Growth Fund

Notes to Financial Statements (Continued)

Transactions in shares of capital stock were as follows:

	Year Ended September 30, 2014		Year Ended September 30, 2013	
	Shares	Amount	Shares	Amount
Class AAA				
Shares sold	8,607,866	\$ 412,503,378	10,638,978	\$ 437,443,572
Shares issued upon reinvestment of distributions	1,416,168	66,545,971	1,254,465	44,134,991
Shares redeemed	(12,569,645)	(607,076,450)	(7,340,873)	(292,215,616)
Net increase/(decrease)	<u>(2,545,611)</u>	<u>\$(128,027,101)</u>	<u>4,552,570</u>	<u>\$ 189,362,947</u>
Class A				
Shares sold	2,163,826	\$ 103,544,834	2,905,363	\$ 119,839,617
Shares issued upon reinvestment of distributions	185,169	8,697,410	135,636	4,771,381
Shares redeemed	(2,777,505)	(134,336,963)	(1,106,239)	(44,266,063)
Net increase/(decrease)	<u>(428,510)</u>	<u>\$ (22,094,719)</u>	<u>1,934,760</u>	<u>\$ 80,344,935</u>
Class C				
Shares sold	1,310,446	\$ 57,768,591	1,775,583	\$ 68,170,846
Shares issued upon reinvestment of distributions	135,407	5,871,262	72,080	2,351,244
Shares redeemed	(665,169)	(29,496,475)	(523,722)	(19,145,343)
Net increase	<u>780,684</u>	<u>\$ 34,143,378</u>	<u>1,323,941</u>	<u>\$ 51,376,747</u>
Class I				
Shares sold	9,741,887	\$ 477,704,273	4,595,673	\$ 191,534,069
Shares issued upon reinvestment of distributions	317,573	15,084,692	292,940	10,434,347
Shares redeemed	(3,421,567)	(165,413,782)	(2,107,103)	(85,229,728)
Net increase	<u>6,637,893</u>	<u>\$ 327,375,183</u>	<u>2,781,510</u>	<u>\$ 116,738,688</u>

9. Transactions in Securities of Affiliated Issuers. The 1940 Act defines affiliated issuers as those in which a Fund's holdings of an issuer represent 5% or more of the outstanding voting securities of the issuer. A summary of the Fund's transactions in the securities of these issuers during the year ended September 30, 2014 is set forth below:

	Beginning Shares	Shares Purchased	Shares Sold/Closed	Ending Shares	Dividend Income	Realized (Loss)	Value at September 30, 2014	Percent Owned of Shares Outstanding
Bel Fuse Inc., Cl. A	252,048	1,000	(3,048)	250,000	\$ 60,123	\$(47,483)	\$ 5,892,500	11.49%
Edgewater Technology Inc.* ..	550,000	10,388	—	560,388	—	—	—	—
Katy Industries Inc.	400,000	100,000	—	500,000	—	—	705,000	6.29%
Sevcon Inc.	260,033	35,167	—	295,200	—	—	2,405,880	8.26%
Strattec Security Corp.	207,000	—	—	207,000	93,150	—	16,839,450	5.79%
Media General Inc.*	1,620,000	—	—	1,620,000	—	—	—	—
Trans-Lux Corp.**	10,072,500	2,300	(9,670,620)	404,180	—	(12,569)	3,132,395	24.72%
Total					<u>\$153,273</u>	<u>\$(60,052)</u>	<u>\$28,975,225</u>	

* Security is no longer considered affiliated at September 30, 2014.

** Reverse Stock Split: 0.04 shares for every 1 share held. Shares reduced by 9,669,620 due to reverse stock split. 1,000 shares were sold after stock split.

10. 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

The Gabelli Small Cap Growth Fund Notes to Financial Statements (Continued)

losses pursuant to these contracts. Management has reviewed the Fund's existing contracts and expects the risk of loss to be remote.

11. Subsequent Events. Management has evaluated the impact on the Fund of all subsequent events occurring 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 Small Cap Growth Fund Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of
The Gabelli Small Cap Growth Fund

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of The Gabelli Small Cap Growth Fund (the "Fund"), a series of Gabelli Equity Series Funds, Inc., as of September 30, 2014, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. We were not engaged to perform an audit of the Fund's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and financial highlights, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of September 30, 2014, by correspondence with the Fund's custodian and brokers or by other appropriate auditing procedures where replies from brokers were not received. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of The Gabelli Small Cap Growth Fund, a series of Gabelli Equity Series Funds, Inc., at September 30, 2014, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and its financial highlights for each of the five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Ernst + Young LLP

New York, New York
November 25, 2014

The Gabelli Small Cap Growth Fund

Additional Fund Information (Unaudited)

The business and affairs of the Corporation are managed under the direction of the Corporation's Board of Directors. Information pertaining to the Directors and officers of the Corporation is set forth below. The Corporation's Statement of Additional Information includes additional information about the Corporation's Directors and is available without charge, upon request, by calling 800-GABELLI (800-422-3554) or by writing to The Gabelli Small Cap Growth Fund at One Corporate Center, Rye, NY 10580-1422.

<u>Name, Position(s) Address¹ and Age</u>	<u>Term of Office and Length of Time Served²</u>	<u>Number of Funds in Fund Complex Overseen by Director</u>	<u>Principal Occupation(s) During Past Five Years</u>	<u>Other Directorships Held by Director⁴</u>
INTERESTED DIRECTORS³:				
Mario J. Gabelli, CFA Director and Chief Investment Officer Age: 72	Since 1991	28	Chairman, Chief Executive Officer, and Chief Investment Officer—Value Portfolios of GAMCO Investors, Inc., and Chief Investment Officer—Value Portfolios of Gabelli Funds, LLC and GAMCO Asset Management Inc.; Director/Trustee or Chief Investment Officer of other registered investment companies in the Gabelli/GAMCO Funds Complex; Chief Executive Officer of GGCP, Inc.	Director of Morgan Group Holdings, Inc. (holding company); Chairman of the Board and Chief Executive Officer of LICT Corp. (multimedia and communication services); Director of CIBL, Inc. (broadcasting and wireless communications); Director of ICTC Group, Inc. (communications); Director of RLJ Acquisition Inc. (blank check company) (2011-2012)
John D. Gabelli Director Age: 70	Since 1991	10	Senior Vice President of G.research, Inc.	—
INDEPENDENT DIRECTORS⁵:				
Anthony J. Colavita Director Age: 78	Since 1991	37	President of the law firm of Anthony J. Colavita, P.C.	—
Vincent D. Enright Director Age: 70	Since 1991	17	Former Senior Vice President and Chief Financial Officer of KeySpan Corporation (public utility) (1994-1998)	Director of Echo Therapeutics, Inc. (therapeutics and diagnostics); Director of the LGL Group, Inc. (diversified manufacturing) (2011-2014)
Robert J. Morrissey Director Age: 75	Since 1991	6	Partner in the law firm of Morrissey, Hawkins & Lynch	Chairman of the Board, Belmont Savings Bank (banking)
Kuni Nakamura Director Age: 46	Since 2009	14	President of Advanced Polymer, Inc. (chemical wholesale company)	—
Anthony R. Pustorino Director Age: 89	Since 1991	13	Certified Public Accountant; Professor Emeritus, Pace University	Director of the LGL Group, Inc. (diversified manufacturing) (2002-2011)
Anthonie C. van Ekris Director Age: 80	Since 1991	20	Chairman and Chief Executive Officer of BALMAC International, Inc. (commodities and futures trading)	—
Salvatore J. Zizza Director Age: 68	Since 2001	31	Chairman of Zizza & Associates Corp. (financial consulting); Chairman of Metropolitan Paper Recycling, Inc. (recycling) (since 2005); Chairman of Harbor Diversified, Inc. (biotechnology) (since 1999); Chairman of BAM (semiconductor and aerospace manufacturing) (since 2000); Chairman of Bergen Cove Realty Inc. (since 2002)	Director and Vice Chairman of Trans-Lux Corporation (business services); Director and Chairman of Harbor Diversified Inc. (pharmaceuticals); Chairman of Bion Environmental Technologies (technology); Director, Chairman, and CEO of General Employment Enterprises (staffing services) (2009-2012)

The Gabelli Small Cap Growth Fund Additional Fund Information (Continued) (Unaudited)

<u>Name, Position(s) Address¹ and Age</u>	<u>Term of Office and Length of Time Served²</u>	<u>Principal Occupation(s) During Past Five Years</u>
OFFICERS:		
Bruce N. Alpert President Age: 62	Since 1991	Executive Vice President and Chief Operating Officer of Gabelli Funds, LLC since 1988; and an Officer of registered investment companies in the Gabelli/GAMCO Funds Complex; Director of Teton Advisors, Inc. 1998-2012; Chairman of Teton Advisors, Inc. 2008-2010; President of Teton Advisors, Inc. 1998-2008; Senior Vice President of GAMCO Investors, Inc. since 2008
Andrea R. Mango Secretary Age: 42	Since November 2013	Counsel of Gabelli Funds, LLC; Corporate Vice President within the Corporate Compliance Department of New York Life Insurance Company 2011-2013; Vice President and Counsel of Deutsche Bank 2006-2011
Agnes Mullady Treasurer Age: 56	Since 2006	President and Chief Operating Officer of the Open-End Fund Division of Gabelli Funds, LLC since September 2010; Senior Vice President of GAMCO Investors, Inc. since 2009; Vice President of Gabelli Funds, LLC since 2007; Officer of all of the registered investment companies in the Gabelli/GAMCO Funds Complex
Richard J. Walz Chief Compliance Officer Age: 55	Since November 2013	Chief Compliance Officer of the Gabelli/GAMCO Funds Complex; Chief Compliance Officer of AEGON USA Investment Management LLC 2011-2013; Chief Compliance Officer of Cutwater Asset Management 2004-2011

¹ Address: One Corporate Center, Rye, NY 10580-1422, unless otherwise noted.

² Each Director will hold office for an indefinite term until the earliest of (i) the next meeting of shareholders, if any, called for the purpose of considering the election or re-election of such Director and until the election and qualification of his or her successor, if any, elected at such meeting, or (ii) the date a Director resigns or retires, or a Director is removed by the Board of Directors or shareholders, in accordance with the Fund's By-Laws and Articles of Incorporation. Each officer will hold office for an indefinite term until the date he or she resigns or retires or until his or her successor is elected and qualified.

³ "Interested person" of the Fund as defined in the 1940 Act. Messrs. Gabelli are each considered an "interested person" because of their affiliation with Gabelli Funds, LLC which acts as the Fund's investment adviser. Mario J. Gabelli and John D. Gabelli are brothers.

⁴ This column includes only directorships of companies required to report to the SEC under the Securities Exchange Act of 1934, as amended, i.e., public companies, or other investment companies registered under the 1940 Act.

⁵ Directors who are not interested persons are considered "Independent" Directors.

2014 TAX NOTICE TO SHAREHOLDERS (Unaudited)

For the year ended September 30, 2014, the Fund paid to shareholders long term capital gains totaling \$102,269,226, or the maximum allowable. The distribution of long term capital gains has been designated as a capital gain dividend by the Fund's Board of Directors.

All designations are based on financial information available as of the date of this annual report and, accordingly, are subject to change. For each item, it is the intention of the Fund to designate the maximum amount permitted under the Internal Revenue Code and the regulations thereunder.

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 and GAMCO Asset Management 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.

What kind of non-public information do we collect about you if you become a fund 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.

This page was intentionally left blank.

THE GABELLI SMALL CAP GROWTH FUND
One Corporate Center
Rye, NY 10580-1422

Portfolio Manager Biography

Mario J. Gabelli, CFA, is Chairman and Chief Executive Officer of GAMCO Investors, Inc. that he founded in 1977 and Chief Investment Officer – Value Portfolios of Gabelli Funds, LLC and GAMCO Asset Management Inc. Mr. Gabelli is a summa cum laude graduate of Fordham University and holds an MBA degree from Columbia Business School and Honorary Doctorates from Fordham University and Roger Williams University.

Morningstar Rating™ is based on risk-adjusted returns. The Overall Morningstar Rating is derived from a weighted average of the performance figures associated with a fund's three, five, and ten year (if applicable) Morningstar Rating metrics. For funds with at least a three year history, a Morningstar Rating is based on a risk-adjusted return measure (including the effects of sales charges, loads, and redemption fees) placing more emphasis on downward variations and rewarding consistent performance. For each fund with at least a three year history, Morningstar calculates a Morningstar Rating based on a Morningstar Risk-Adjusted Return measure (including the effects of sales charges, loads, and redemption fees) that accounts for variation in a fund's monthly performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% 4 stars, the next 35% 3 stars, the next 22.5% 2 stars, and the bottom 10% 1 star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.) Morningstar Rating is for the AAA Share class only; other classes may have different performance characteristics. Ratings reflect relative performance. Results for certain periods were negative. © 2014 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

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.

Gabelli Equity Series Funds, Inc.

THE GABELLI SMALL CAP GROWTH FUND

One Corporate Center
Rye, New York 10580-1422

t 800-GABELLI (800-422-3554)

f 914-921-5118

e info@gabelli.com

GABELLI.COM

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

BOARD OF DIRECTORS

Mario J. Gabelli, CFA
Chairman and
Chief Executive Officer,
GAMCO Investors, Inc.

Anthony J. Colavita
President,
Anthony J. Colavita, P.C.

Vincent D. Enright
Former Senior Vice
President and Chief
Financial Officer,
KeySpan Corp.

John D. Gabelli
Senior Vice President,
G.research, Inc.

Robert J. Morrissey
Partner,
Morrissey, Hawkins & Lynch

Kuni Nakamura
President,
Advanced Polymer, Inc.

Anthony R. Pustorino
Certified Public Accountant,
Professor Emeritus,
Pace University

Anthonie C. van Ekris
Chairman,
BALMAC International, Inc.
Salvatore J. Zizza
Chairman,
Zizza & Associates Corp.

OFFICERS

Bruce N. Alpert
President

Andrea R. Mango
Secretary

Agnes Mullady
Treasurer

Richard J. Walz
Chief Compliance Officer

DISTRIBUTOR

G.distributors, LLC

CUSTODIAN, TRANSFER
AGENT, AND DIVIDEND
DISBURSING 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 Small Cap Growth Fund. It is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.



Overall Morningstar Rating TM ★★★★★

Morningstar[®] rated The Gabelli Small Cap Growth Fund Class AAA Shares 4 stars overall, 3 stars for the three year period, 4 stars for the five year period, and 5 stars for the ten year period ended September 30, 2014 among 616, 616, 563, and 351 Small Blend funds, respectively. Morningstar RatingTM is based on risk-adjusted returns.

GAB443Q314AR



GABELLI
FUNDS

THE
GABELLI
SMALL CAP
GROWTH
FUND

Annual Report
September 30, 2014

Overall Morningstar RatingTM



Morningstar RatingTM is
based on risk-adjusted returns.

