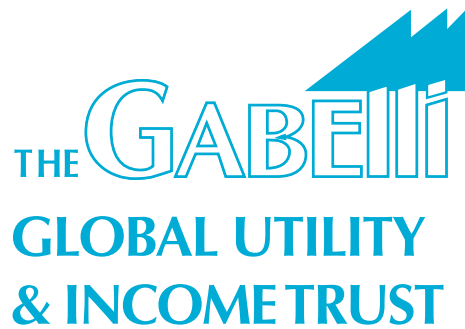


THE **GABELLI**  
GLOBAL UTILITY  
& INCOMETRUST

Shareholder Commentary  
December 31, 2008



THE GABELLI  
GLOBAL UTILITY  
& INCOME TRUST

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

**Investment Objective:**

The Gabelli Global Utility & Income Trust is a non-diversified, closed-end management investment company. The Fund's investment objective is to seek a consistent level of after-tax total return for its investors with an emphasis on tax advantaged dividend income under current tax law. Under normal market conditions, the Fund invests at least 80% of its assets in equity securities of domestic and foreign companies involved in the utilities industry and other industries that are expected to pay periodic dividends.

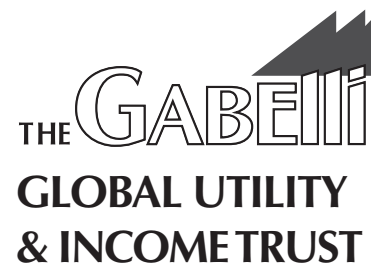
We have separated the portfolio manager's commentary from the financial statements and investment portfolio due to corporate governance regulations stipulated by the Sarbanes-Oxley Act of 2002. We have done this to ensure that the content of the portfolio manager's commentary is unrestricted. The financial 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](http://www.gabelli.com).

## To Our Shareholders,

The fourth quarter of 2008, like the third quarter, was a tough period for utility stocks. Despite being in a low risk, fundamentally sound industry, utility stocks were heavily sold by investors, who reacted to the global financial crisis by liquidating even their low risk holdings. With almost no new money moving into equities, the lack of buyers resulted in more volatility to the downside. Performance during the third and fourth quarters also was hurt when several hedge funds were forced to liquidate their entire portfolios, including some that held large positions in utility stocks.

The fourth quarter of 2008 was also a period during which both domestic and global economic growth forecasts were being steadily reduced. The U.S. is in a recession that began about one year ago, and the domestic economy continues to worsen. Much of the rest of the world is either in a recession, or growing much more slowly than in recent years.

In the face of so many dark clouds over the economy (employment, housing, and consumer spending, just to name a few), it is a good time to remember that utilities are one of the most recession proof sectors of the stock market. Utility earnings are stable even in a recession, because the volume of electricity and natural gas sold to residential and commercial customers is less sensitive to economic cycles. Electricity, natural gas, and water are not discretionary purchases for consumers. Meanwhile, industrial customers, whose energy demand is more cyclical, usually buy their electricity and natural gas under long-term contracts that require them to pay the utility a fixed amount even if they consume no energy.



## Comparative Results

### Average Annual Returns through December 31, 2008 (a)

	<u>Quarter</u>	<u>1 Year</u>	<u>3 Year</u>	<u>Since Inception (05/28/04)</u>
<b>Gabelli Global Utility &amp; Income Trust</b>				
NAV Total Return (b) .....	<b>(9.67)%</b>	<b>(23.24)%</b>	<b>2.38%</b>	<b>5.37%</b>
Investment Total Return (c) .....	<b>(4.00)</b>	<b>(26.43)</b>	<b>2.84</b>	<b>1.60</b>
S&P 500 Index .....	(21.95)	(36.99)	(8.36)	(2.69)
S&P 500 Utilities Index .....	(10.92)	(28.98)	0.85	8.55
Lipper Utility Fund Average .....	(13.43)	(33.52)	(0.19)	6.92

- (a) **Returns represent past performance and do not guarantee future results.** Investment returns and the principal value of an investment will fluctuate. When shares are sold, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Visit [www.gabelli.com](http://www.gabelli.com) for performance information as of the most recent month end. Performance returns for periods of less than one year are not annualized. **Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing.** The S&P 500 Index is an unmanaged indicator of stock market performance. The S&P 500 Utilities Index is an unmanaged indicator of electric and gas utility stock performance. The Lipper Utility Fund Average reflects the average performance of open-end mutual funds classified in this particular category. Dividends are considered reinvested. You cannot invest directly in an index.
- (b) Total returns and average annual returns reflect changes in the net asset value ("NAV") per share and reinvestment of distributions at NAV on the ex-dividend date and are net of expenses. Since inception return is based on an initial NAV of \$19.06.
- (c) Total returns and average annual returns reflect changes in closing market values on the NYSE Alternext US and reinvestment of distributions. Since inception return is based on an initial offering price of \$20.00.

In the short run, we think that utility stocks are oversold. Although economic factors have caused many utilities to trim 2009 EPS guidance by 3% to 5%, most of the utility stocks have fallen in value by more than 25% over the past two quarters. At the same time, most utilities have either maintained their current dividends or even raised dividends. The result is a sector with relatively low P/E ratios and high current dividend yields.

The current low valuations have rekindled some M&A activity in the utility sector. In October 2008, Exelon launched a hostile offer to acquire NRG Energy, the large, publicly traded independent power company. In December 2008, Constellation Energy Group terminated its pending merger with MidAmerican Energy in order to accept a better offer from Electricité de France.

When we look ahead to 2009 and 2010, we believe that utility stocks should be one of the better performing groups in the equity markets. Their relatively safe, high dividends should provide support to their stock prices, and their stable, predictable earnings should be much less volatile than many other industry groups. In addition, the U.S. is about to enact a very large economic stimulus plan, portions of which would directly benefit the utility industry. We are particularly encouraged by the new administration's emphasis on increased infrastructure investment to modernize the electric grid and on accelerated investment in alternative energy.

The Gabelli Global Utility & Income Trust's (the "Fund") net asset value ("NAV") total return was -9.7% during the fourth quarter of 2008, compared with declines of 10.9% and 13.4% for the Standard & Poor's ("S&P") 500 Utilities Index and the Lipper Utility Fund Average, respectively. The total return for the Fund's publicly traded shares was -4.0% during the fourth quarter. On December 31, 2008, the Fund's NAV per share was \$18.50, while the price of the publicly traded shares closed at \$15.90 on the NYSE Alternext US.

## **COMMENTARY**

During the second half of the year, investors ran for cover to cash and money market funds that now pay tiny returns. Some of them may be getting ready to tiptoe back into the equity markets, and we think they will look for dividend paying stocks with low betas and low fundamental risk. Utility stocks fit this description. Across the utilities sector, we see many opportunities to buy the stocks of good companies with strong earnings growth potential and safe and growing dividends, trading at attractive valuations.

Some of the best performers among the major holdings of the Fund during the fourth quarter were: CH Energy, up 17.9% and NSTAR, up 8.9%. All three stocks benefited from a rotation by investors within the utilities sector into companies that derive most of their earnings from regulated operations, and away from the stocks of companies that have significant deregulated operations.

### **Environmental Policies Are Another Key Long-Term Consideration**

In many large countries, most of the electricity is produced by power plants that burn fossil fuels. Efforts are underway to lower carbon dioxide emissions in order to slow down global warming and reduce its effects. For utilities, this means both increased investment in new technologies to produce cleaner electricity and a new wave of nuclear power plant construction. We believe these challenges also create opportunities for investors, because new investment means faster growth in rate base and earnings.

The new U.S. President and the Democratic majority in both houses of Congress favor a more aggressive effort to reduce carbon dioxide emission from power plants, compared with the views of the previous administration. This is more in line with the policies already in effect in Europe. The most likely scenario is the imposition of a "cap-and-trade" system in the U.S. that includes a mandatory reduction in total emissions and a market based trading system for emission credits.

This should lead to even heavier investment in alternative energy and nuclear power plants in the U.S., but with significant sharing of the financial risk between industry and the federal government. The 2005 Energy Act provides substantial financial incentives for companies to build more clean energy power plants. Furthermore, legislation

passed in the fall of 2008 permits U.S. utilities to use more investment tax credits from investment in alternative energy power plants. We believe that in 2009 the new President and the new Congress will expand those financial incentives as part of a broad economic stimulus plan. In addition, incentives from the 2005 energy legislation already provide generous loan guarantees for companies that build new nuclear power plants, and more than a dozen nuclear construction license requests are now awaiting federal government approval.

### **Long-Term Fundamentals Remain Strong**

In spite of the economic slowdown, the utilities industry is in the early stages of a period of higher secular growth tied to rising capital spending. Utilities build, own, and operate infrastructure: electric power plants, transmission lines, and distribution systems; natural gas transmission, distribution, and storage facilities; water utility systems, etc. After too many years of investing in non-regulated assets, the utility industry worldwide is planning to increase capital spending for new power plants, transmission, and distribution because of the need to replace aging infrastructure, improve efficiency, and meet growing demand. In addition, there is a worldwide acceleration of capital spending for new environmental controls on older facilities and for cleaner energy projects, including renewables. This rise in capital spending comes at a time when regulators and elected officials worldwide understand the need for energy infrastructure upgrades and expansion. They also support the industry's rapid push into alternative energy.

Regulated utilities generate income by earning a return on their asset base, i.e., the rate base. The faster the rate base grows, the faster earnings increase. Therefore, there is a direct correlation between accelerating long-term earnings prospects and accelerating capital spending budgets.

The increased capital spending comes at a time when most utilities have strong balance sheets. During the years 2001-2006, most utilities reduced debt and issued new equity. Now, their balance sheets can support higher capital spending. Even during the recent financial crisis of the past two quarters, utilities have continued to raise new capital through equity offerings and bond sales.

### **Our Approach**

There are nearly seventy publicly traded, investor owned electric utilities in the U.S. This is fifty more than we need from the standpoint of economic efficiency. Small natural gas distribution companies make no economic sense either. The balkanized structure of the industry is inherently inefficient and competitive forces are now putting pressure on the marginal players. The big companies feel the need to be bigger to achieve scale economies, and the small companies are selling out as the cost of staying in the game rises. It is only because of a complex and lengthy merger review and approval process that the industry remains as fragmented as it currently is. Our investments in regulated companies have primarily, though not exclusively, focused on fundamentally sound, reasonably priced mid cap and small cap utilities that are likely acquisition targets for large utilities seeking increased bulk. We also like the beneficiaries of developing trends. This has led to our ongoing focus on nuclear power utilities as a way to benefit from the need for more power from carbon-free generation and also a focus on natural gas pipelines and storage operators as a way to take advantage of the growing demand for natural gas in the U.S.

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

The following are stock specifics on selected holdings of our Fund. Favorable earnings prospects do not necessarily translate into higher stock prices, but they do express a positive trend that we believe will develop over time. Individual securities mentioned are not necessarily representative of the entire portfolio. The share prices of the following holdings are stated in U.S. dollars or U.S. dollar equivalent terms as of December 31, 2008.

*AREVA SA (CEI FP - \$486.52 - Paris Stock Exchange)* based in France, is the largest global manufacturer and service provider in the nuclear power industry. Earnings growth is expected to benefit from strong demand for new reactors in Asian countries during the next few years and then later from a rebirth of nuclear plant construction in the U.S. and the U.K.

*DPL Inc. (DPL - \$22.84 - NYSE)* is a consolidation play. DPL is the holding company whose principal subsidiary is the small utility Dayton Power & Light. It has very low cost electric generating assets and is surrounded by utilities that are several times larger than DPL. The previous management team was forced out in mid 2004 and the current team has moved quickly to divest DPL's large portfolio of non-utility investments. The proceeds of the asset sales were used to retire debt.

*Enel SpA (ENEL IM - \$6.29 - Milan Stock Exchange)* is the largest electric utility in Italy. Enel has significantly strengthened its balance sheet in recent years by using the proceeds of asset sales to reduce debt and to invest in its core utility business. Enel should benefit from added earnings growth now that it has completed the deal to acquire a majority stake in Endesa, the largest utility in Spain. The Endesa acquisition would also diversify Enel's business and regulatory risks. In Italy, increased per capita use of electricity should continue to drive Enel's earnings growth from domestic generation and distribution.

*FPL Group Inc. (FPL - \$50.33 - NYSE)* is one of the highest quality utility companies in the U.S. FPL owns Florida Power & Light Company, one of the largest and fastest growing utilities in the U.S. Florida has no plans to deregulate its utility sector. FPL has one of the strongest balance sheets in the utility industry, and it is one of the few companies in the sector to raise its dividend every year for the past decade. FPL also has become the largest developer, owner, and operator of wind powered electric generation in the U.S. The holding company derives significant earnings growth and tax credits from its investments in renewable energy.

*Hera SpA (HER IM - \$2.13 - Milan Stock Exchange)* is a multi-utility in northern Italy. Hera owns and operates electric distribution, gas distribution, and water utilities. It also is involved in district heating, municipal waste, and sewage treatment. One of Hera's major strategies for earnings growth in the next few years is the completion of several waste-to-energy plants. Due to special incentive tariffs that the Italian government allows for electricity produced from waste, Hera is expected to earn very attractive profits from these ventures, enabling overall earnings to keep growing at a double digit rate.

*National Fuel Gas Co. (NFG - \$31.33 - NYSE)* is a diversified natural gas company. NFG owns a regulated gas utility serving the region around Buffalo, New York. It also owns major gas pipelines that move gas from the Midwest and Canada down to New York City and over to New England. However, NFG's largest business, providing more than 40% of earnings, is domestic production of natural gas and oil. NFG and its partner, EOG Resources, recently started to drill for natural gas in a very promising region of the Northeast called the Marcellus Shale. NFG is also one of the few companies that has raised its dividend each year for more than a decade.

*NSTAR (NST - \$36.49 - NYSE)* is a consolidation play in the New England region. NST is primarily an electric transmission and distribution utility serving the Boston and Cape Cod regions of Massachusetts. NST also owns a small gas utility. The northeast region of the U.S. has been the most active area for consolidation activity among utilities, including the acquisition of KeySpan by National Grid in August 2007, and the takeover of Energy East by Iberdrola in September 2008. There are several potential suitors for NST, including Consolidated Edison, a company that could use its strong balance sheet to make another acquisition.

*Severn Trent plc (SVT LN - \$17.22 - London Stock Exchange)* is a large water services company based in the U.K., with operations throughout Europe and the U.S. After divesting non-core operations and spinning off other businesses in 2006, the company has been focusing on global growth opportunities in the water business. We like SVT for its relatively high current dividend yield and because it has opportunities to benefit from strong worldwide demand for water infrastructure development.

*Westar Energy Inc. (WR - \$20.51 - NYSE)* is another classic turnaround story. The current management team divested non-core assets and reduced a significant amount of debt. With the completion of these divestitures, WR's major remaining assets are two regulated utilities with low cost production in the state of Kansas. WR plans to grow its regulated rate base by building new power plants and retrofitting older ones with advanced pollution control equipment. In early 2008, WR announced plans to construct a new wind farm and a major electric transmission line. Over the long term, with its financial health restored, we believe WR may become an acquisition target for a larger utility.

*Xcel Energy Inc. (XEL - \$18.55 - NYSE)* is a holding company that owns electric and gas utilities, primarily in Minnesota, Colorado, and Texas. It was formed by two mergers involving three utilities. Xcel's utility subsidiaries are relatively low cost producers operating in regions that have above average rates of customer growth. We like the stock's high, secure dividend yield and we expect Xcel to continue to increase its dividend on an annual basis.

Sincerely,



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

January 16, 2009

**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.

### **Portfolio Manager Compensation**

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

As founder and portfolio manager of The Gabelli Global Utility & Income Trust, Mr. Gabelli received \$184,513 in calendar year 2007. For the Fund's first twelve months of operation starting in May 2004, Mr. Gabelli received less than \$130,000. As beneficial owner, he had \$2,726,704 invested in The Gabelli Global Utility & Income Trust as of December 31, 2008, which includes the holdings of GAMCO Investors, Inc. and its subsidiary, Gabelli Funds, LLC.

### **Monthly Distribution Policy**

The Board of Trustees of the Fund (the "Board") has reaffirmed the continuation of the Fund's monthly distribution policy for the first quarter of 2009. Pursuant to its distribution policy, the Fund paid \$0.10 per share cash distributions on October 27, 2008, November 21, 2008, and December 17, 2008 to common shareholders of record on October 17, 2008, November 13, 2008, and December 12, 2008, respectively, for a total distribution of \$0.30 per share during the fourth quarter of 2008.

Under the Fund's distribution policy, the Fund pays a minimum annual distribution of 6% of the initial public offering price of \$20.00 per share. Pursuant to this policy, the Fund pays a distribution of \$0.10 per share each month and, if necessary, an adjusting distribution in December which includes any additional income and net realized capital gains in excess of the monthly distributions for that year to satisfy the minimum distribution requirements of the Internal Revenue Code.

Each quarter, the Board reviews the amount of any potential distribution and the income, capital gain, or capital available. The Board will review the Fund's distribution level at the next regularly scheduled board meeting in

February 2009, taking into consideration the Fund's net asset value and the financial market environment. The Fund's distribution policy is subject to modification by the Board of at any time.

If the Fund does not generate earnings from dividends and interest received and net realized capital gains equal to or in excess of the aggregate distributions paid by the Fund in a given year, then the amount distributed in excess of the Fund's investment income and net realized capital gains would be deemed a non-taxable return of capital. Since this would be considered a return of a portion of a shareholder's original investment, it is not taxable and is treated as a reduction in the shareholder's cost basis. However, despite the challenges of the extra record keeping, a distribution that is occasionally supplemented with a return of capital serves as a smoothing mechanism resulting in a more stable and consistent cash flow available to shareholders. For a closed-end fund with a distribution policy, a return of capital becomes progressively less likely with the passage of time because in later years it is more likely that long-term capital gains can be realized and therefore become available for distribution. A portion of the distributions may be treated as long-term capital gain and qualified dividend income for individuals, each subject to the maximum federal income tax rate, which is currently 15% in taxable accounts for individuals. Long-term capital gains, qualified dividend income, ordinary income, and paid-in capital, if any, will be allocated on a pro-rata basis to all distributions to common shareholders for the year. Based on the distribution allocations of the Fund as of December 31, 2008, the total distributions paid in 2008 include approximately 53% from net investment income, 40% from net capital gains, and 7% from paid-in capital. The estimated components of each distribution are provided to shareholders of record in a notice accompanying the distribution and are available on our website ([www.gabelli.com](http://www.gabelli.com)). All shareholders with taxable accounts will receive written notification regarding the components and tax treatment for all 2008 distributions in early 2009 via Form 1099-DIV.

#### **[www.gabelli.com](http://www.gabelli.com)**

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

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

#### **e-delivery**

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

#### **Top Ten Holdings** **December 31, 2008**

The DIRECTV Group Inc.	Progress Energy Inc.
NSTAR	Great Plains Energy Inc.
The Southern Co.	Iberdrola SA
DPL Inc.	Telefonica SA
Integrus Energy Group Inc.	American Electric Power Co. Inc.

The Annual Meeting of The Gabelli Global Utility & Income Trust's shareholders will be held on Monday, May 18, 2009 at the Greenwich Library in Greenwich, Connecticut.

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

### **Enrollment in the Plan**

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

The Gabelli Global Utility & Income Trust  
c/o Computershare  
P.O. Box 43010  
Providence, RI 02940-3010

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

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

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

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

## **Voluntary Cash Purchase Plan**

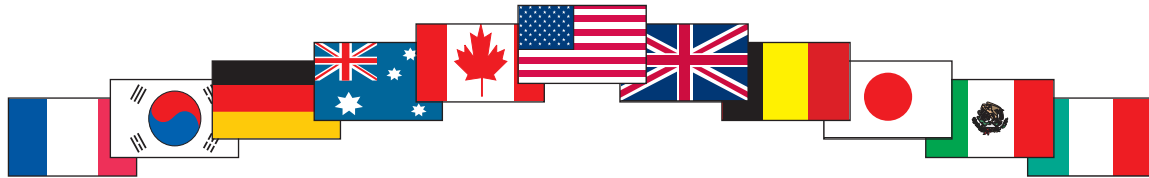
The Voluntary Cash Purchase Plan is yet another vehicle for our shareholders to increase their investment in the Fund. In order to participate in the Voluntary Cash Purchase Plan, shareholders must have their shares registered in their own name.

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

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

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

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



**TRUSTEES AND OFFICERS**  
**THE GABELLI GLOBAL UTILITY & INCOME TRUST**  
**One Corporate Center, Rye, NY 10580-1422**

***Trustees***

Anthony J. Colavita  
*Attorney-at-Law,*  
*Anthony J. Colavita, P.C.*

James P. Conn  
*Former Managing Director &*  
*Chief Investment Officer,*  
*Financial Security Assurance Holdings Ltd.*

Mario d’Urso  
*Former Italian Senator*

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

Michael J. Melarkey  
*Attorney-at-Law,*  
*Avansino, Melarkey, Knobel & Mulligan*

Salvatore M. Salibello  
*Certified Public Accountant,*  
*Salibello & Broder LLP*

Salvatore J. Zizza  
*Chairman, Zizza & Co., Ltd.*

***Officers***

Bruce N. Alpert  
*President*

Peter D. Goldstein  
*Chief Compliance Officer*

Agnes Mullady  
*Treasurer and Secretary*

David I. Schachter  
*Vice President & Ombudsman*

***Investment Adviser***

Gabelli Funds, LLC  
 One Corporate Center  
 Rye, New York 10580-1422

***Custodian***

State Street Bank and Trust Company

***Counsel***

Skadden, Arps, Slate, Meagher & Flom, LLP

***Transfer Agent and Registrar***

Computershare Trust Company, N.A.

***Stock Exchange Listing***

NYSE Alternext US–Symbol:  
 Shares Outstanding:

Common  
 GLU  
 3,050,236

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

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

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

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

# THE GABELLI GLOBAL UTILITY & INCOME TRUST

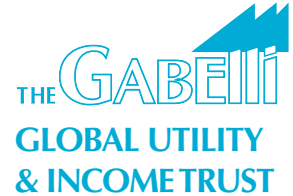
One Corporate Center, Rye, NY 10580-1422

Phone: 800-GABELLI (800-422-3554)

Fax: 914-921-5118 Internet: [www.gabelli.com](http://www.gabelli.com)

e-mail: [closedend@gabelli.com](mailto:closedend@gabelli.com)

GLU Dec/2008



# The Gabelli Global Utility & Income Trust

Annual Report  
December 31, 2008

## To Our Shareholders,

The Sarbanes-Oxley Act requires a fund’s principal executive and financial officers to certify the entire contents of the semi-annual and annual shareholder reports in a filing with the Securities and Exchange Commission on Form N-CSR. This certification would cover the portfolio manager’s commentary and subjective opinions if they are attached to or a part of the financial statements. Many of these comments and opinions would be difficult or impossible to certify.

Because we do not want our portfolio managers to eliminate their opinions and/or restrict their commentary to historical facts, we have separated their commentary from the financial statements and investment portfolio and have sent it to you separately. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at [www.gabelli.com](http://www.gabelli.com).

Enclosed are the audited financial statements and the investment portfolio as of December 31, 2008.

## Comparative Results

### Average Annual Returns through December 31, 2008 (a)

	Quarter	1 Year	3 Year	Since Inception (05/28/04)
<b>Gabelli Global Utility &amp; Income Trust</b>				
NAV Total Return (b) .....	(9.67)%	(23.30)%	2.38%	5.37%
Investment Total Return (c) .....	(4.00)	(26.43)	2.84	1.60
S&P 500 Index .....	(21.95)	(36.99)	(8.36)	(2.69)
S&P 500 Utilities Index .....	(10.92)	(28.98)	0.85	8.55
Lipper Utility Fund Average .....	(13.43)	(33.52)	(0.19)	6.92

- (a) **Returns represent past performance and do not guarantee future results.** Investment returns and the principal value of an investment will fluctuate. When shares are sold, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Visit [www.gabelli.com](http://www.gabelli.com) for performance information as of the most recent month end. Performance returns for periods of less than one year are not annualized. **Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing.** The S&P 500 Index is an unmanaged indicator of stock market performance. The S&P 500 Utilities Index is an unmanaged indicator of electric and gas utility stock performance. The Lipper Utility Fund Average reflects the average performance of open-end mutual funds classified in this particular category. Dividends are considered reinvested. You cannot invest directly in an index.
- (b) Total returns and average annual returns reflect changes in the net asset value (“NAV”) per share and reinvestment of distributions at NAV on the ex-dividend date and are net of expenses. Since inception return is based on an initial NAV of \$19.06.
- (c) Total returns and average annual returns reflect changes in closing market values on the NYSE Alternext US and reinvestment of distributions. Since inception return is based on an initial offering price of \$20.00.

Sincerely yours,

Bruce N. Alpert  
President

**THE GABELLI GLOBAL UTILITY & INCOME TRUST**  
**Summary of Portfolio Holdings (Unaudited)**

The following table presents portfolio holdings as a percent of total investments as of December 31, 2008:

<b>Long Positions</b>		Entertainment . . . . .	0.6%
Energy and Utilities: Integrated . . . . .	47.2%	Environmental Services . . . . .	0.6%
Telecommunications . . . . .	10.3%	Independent Power Producers and	
U.S. Government Obligations . . . . .	9.6%	Energy Traders . . . . .	0.5%
Energy and Utilities:		Real Estate . . . . .	0.4%
Electric Transmission and Distribution . . . . .	6.3%	Energy and Utilities: Alternative Energy . . . . .	0.3%
Cable and Satellite . . . . .	5.9%	Energy and Utilities: Services . . . . .	0.2%
Energy and Utilities: Natural Gas Utilities . . . . .	4.7%	Metals and Mining . . . . .	0.2%
Energy and Utilities: Natural Gas Integrated . . . . .	3.7%	Transportation . . . . .	0.2%
Energy and Utilities: Water . . . . .	3.7%	Communications Equipment . . . . .	0.2%
Energy and Utilities: Oil . . . . .	2.3%	Equipment and Supplies . . . . .	0.1%
Wireless Communications . . . . .	1.1%	Building and Construction . . . . .	0.1%
Diversified Industrial . . . . .	1.1%	Business Services . . . . .	0.0%
Aerospace . . . . .	0.7%		<u>100.0%</u>

*The Gabelli Global Utility & Income Trust (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, the last of which was filed for the quarter ended September 30, 2008. Shareholders may obtain this information at [www.gabelli.com](http://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](http://www.sec.gov) and may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.*

**Proxy Voting**

The Fund files Form N-PX with its complete proxy voting record for the 12 months ended June 30th, no later than August 31st of each year. A description of the Fund's proxy voting policies, procedures, and how the Fund voted proxies relating to portfolio securities 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; and (iii) visiting the SEC's website at [www.sec.gov](http://www.sec.gov).

**THE GABELLI GLOBAL UTILITY & INCOME TRUST**  
**SCHEDULE OF INVESTMENTS**  
**December 31, 2008**

<u>Shares</u>		<u>Cost</u>	<u>Market Value</u>	<u>Shares</u>		<u>Cost</u>	<u>Market Value</u>
	<b>COMMON STOCKS — 89.8%</b>			1,000	Avista Corp. ....	\$ 20,848	\$ 19,380
	<b>ENERGY AND UTILITIES — 70.7%</b>			6,000	Black Hills Corp. ....	181,668	161,760
	<b>Energy and Utilities: Alternative Energy — 0.3%</b>			500	Cleco Corp. ....	9,790	11,415
	<b>U.S. Companies</b>			500	CMS Energy Corp. ....	5,055	5,055
5,000	Ormat Technologies Inc. ....	\$ 175,819	\$ 159,350	8,000	Dominion Resources Inc. ....	354,027	286,720
	<b>Energy and Utilities:</b>			60,000	DPL Inc. ....	1,627,242	1,370,400
	<b>Electric Transmission and Distribution — 6.3%</b>			40,000	Duke Energy Corp. ....	563,153	600,400
	<b>Non U.S. Companies</b>			4,000	El Paso Electric Co.† ....	81,903	72,360
8,775	National Grid plc, ADR ....	401,681	442,786	10,000	Florida Public Utilities Co. ...	117,706	105,100
2,200	Red Electrica Corporacion SA	112,195	110,092	14,000	FPL Group Inc. ....	654,896	704,620
	<b>U.S. Companies</b>			60,034	Great Plains Energy Inc. ....	1,689,883	1,160,457
4,000	CH Energy Group Inc. ....	178,779	205,560	26,000	Hawaiian Electric Industries Inc. ....	638,670	575,640
2,000	Consolidated Edison Inc. ....	86,603	77,860	29,500	Integrus Energy Group Inc. ...	1,408,474	1,267,910
5,000	Northeast Utilities ....	90,818	120,300	7,000	Maine & Maritimes Corp. ...	208,049	271,950
50,000	NSTAR ....	1,187,449	1,824,500	15,000	MGE Energy Inc. ....	487,338	495,000
40,000	Pepco Holdings Inc. ....	757,783	710,400	44,000	NiSource Inc. ....	897,213	482,680
1,666	UIL Holdings Corp. ....	53,364	50,030	13,000	NorthWestern Corp. ....	390,834	305,110
		<u>2,868,672</u>	<u>3,541,528</u>	19,500	OGE Energy Corp. ....	481,891	502,710
	<b>Energy and Utilities: Integrated — 47.2%</b>			6,000	Otter Tail Corp. ....	180,524	139,980
	<b>Non U.S. Companies</b>			1,000	PG&E Corp. ....	33,930	38,710
150,000	A2A SpA ....	276,010	265,012	16,000	Pinnacle West Capital Corp.	650,094	514,080
500	Areva SA ....	204,193	243,258	4,200	PPL Corp. ....	117,280	128,898
8,000	Chubu Electric Power Co. Inc.	167,490	241,368	31,000	Progress Energy Inc. ....	1,324,875	1,235,350
152,000	Datang International Power Generation Co. Ltd., Cl. H	59,610	80,411	32,000	Public Service Enterprise Group Inc. ....	1,065,920	933,440
3,000	E.ON AG ....	196,712	118,599	25,000	Puget Energy Inc. ....	685,388	681,750
9,000	E.ON AG, ADR ....	209,576	366,750	18,000	SCANA Corp. ....	646,320	640,800
10,000	Electric Power Development Co. Ltd. ....	252,321	387,204	45,000	Southern Co. ....	1,322,848	1,665,000
45,000	Enel SpA ....	354,639	282,892	1,000	TECO Energy Inc. ....	15,970	12,350
9,760	Energias de Portugal SA, ADR	262,599	372,832	15,000	The AES Corp.† ....	144,570	123,600
29,000	Enersis SA, ADR ....	172,657	369,460	1,250	The Empire District Electric Co. ....	28,573	22,000
138,000	Hera SpA ....	294,336	293,495	15,000	Unisource Energy Corp. ....	369,330	440,400
10,000	Hokkaido Electric Power Co. Inc. ....	171,210	250,965	17,000	Vectren Corp. ....	408,701	425,170
10,000	Hokuriku Electric Power Co.	165,392	281,302	41,000	Westar Energy Inc. ....	860,569	840,910
14,000	Huaneng Power International Inc., ADR ..	421,063	408,520	5,000	Wisconsin Energy Corp. ...	171,276	209,900
75,000	Iberdrola SA ....	381,224	681,818	45,000	Xcel Energy Inc. ....	761,339	834,750
12,000	Iberdrola SA, ADR ....	598,500	432,000			<u>26,311,669</u>	<u>26,418,030</u>
3,000	International Power plc ....	25,732	10,363		<b>Energy and Utilities: Natural Gas Integrated — 3.7%</b>		
14,000	Korea Electric Power Corp., ADR ....	174,519	162,540	80,000	<b>Non U.S. Companies</b>		
10,000	Kyushu Electric Power Co. Inc. ....	178,959	263,651		Snam Rete Gas SpA ....	347,871	440,367
4,500	Oesterreichische Elektrizitaetswirtschafts AG, Cl. A ....	209,779	203,670		<b>U.S. Companies</b>		
10,000	Shikoku Electric Power Co. Inc. ....	171,759	334,253	25,000	El Paso Corp. ....	220,000	195,750
10,000	The Chugoku Electric Power Co. Inc. ....	170,328	261,445	1,000	Energen Corp. ....	30,935	29,330
16,000	The Kansai Electric Power Co. Inc. ....	284,746	458,908	18,000	National Fuel Gas Co. ....	488,706	563,940
10,000	The Tokyo Electric Power Co. Inc. ....	220,693	330,943	2,000	ONEOK Inc. ....	51,437	58,240
10,000	Tohoku Electric Power Co. Inc. ....	164,025	268,616	25,000	Southern Union Co. ....	511,729	326,000
	<b>U.S. Companies</b>			30,000	Spectra Energy Corp. ....	634,201	472,200
1,000	Allegheny Energy Inc. ....	25,689	33,860			<u>2,284,879</u>	<u>2,085,827</u>
2,000	ALLETE Inc. ....	71,269	64,540		<b>Energy and Utilities: Natural Gas Utilities — 4.7%</b>		
20,000	Ameren Corp. ....	872,504	665,200		<b>Non U.S. Companies</b>		
30,000	American Electric Power Co. Inc. ....	947,988	998,400	1,000	Enagas ....	28,972	21,629
				1,890	GDF Suez† ....	62,915	94,553
				11,454	GDF Suez, ADR ....	362,710	566,400
				6,867	GDF Suez, Strips† ....	0	10
					<b>U.S. Companies</b>		
				16,000	Atmos Energy Corp. ....	394,047	379,200
				2,000	Chesapeake Utilities Corp. ...	53,224	62,960
				20,000	Nicor Inc. ....	667,385	694,800
				5,000	Piedmont Natural Gas Co. Inc.	116,790	158,350
				10,000	Southwest Gas Corp. ....	250,760	252,200
				8,000	The Laclede Group Inc. ....	245,865	374,720
						<u>2,182,668</u>	<u>2,604,822</u>

See accompanying notes to financial statements.

**THE GABELLI GLOBAL UTILITY & INCOME TRUST**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**December 31, 2008**

<u>Shares</u>		<u>Cost</u>	<u>Market Value</u>	<u>Shares/ Units</u>		<u>Cost</u>	<u>Market Value</u>
	<b>COMMON STOCKS (Continued)</b>			2,500	Rogers Communications Inc., Cl. B .....	\$ 25,532	\$ 75,200
	<b>ENERGY AND UTILITIES (Continued)</b>			5,400	Zon Multimedia Servicos de Telecomunicacoes e Multimedia SGPS SA ...	53,052	27,848
	<b>Energy and Utilities: Oil — 2.3%</b>				<b>U.S. Companies</b>		
500	Niko Resources Ltd. ....	\$ 28,728	\$ 17,209	25,000	Cablevision Systems Corp., Cl. A .....	580,792	421,000
11,000	Petroleo Brasileiro SA, ADR	384,000	269,390	20,000	DISH Network Corp., Cl. A†	484,898	221,800
9,000	Royal Dutch Shell plc, Cl. A, ADR .....	460,931	476,460	3,600	EchoStar Corp., Cl. A† ....	103,356	53,532
	<b>U.S. Companies</b>			4,580	Liberty Global Inc., Cl. A† ..	86,290	72,914
3,000	Chevron Corp. ....	182,580	221,910	4,000	Liberty Global Inc., Cl. C† ..	72,761	60,720
2,000	ConocoPhillips .....	74,050	103,600	95,000	The DIRECTV Group Inc.†	<u>2,154,874</u>	<u>2,176,450</u>
2,000	Devon Energy Corp. ....	67,255	131,420			<u>3,756,624</u>	<u>3,311,165</u>
1,000	Exxon Mobil Corp. ....	45,500	79,830				
		<u>1,243,044</u>	<u>1,299,819</u>				
	<b>Energy and Utilities: Services — 0.2%</b>				<b>Telecommunications — 10.3%</b>		
	<b>Non U.S. Companies</b>			2,102	<b>Non U.S. Companies</b>		
6,000	ABB Ltd., ADR .....	75,032	90,060		Bell Aliant Regional Communications Income Fund (a)(b) .....	51,669	40,099
2,500	Halliburton Co. ....	60,195	45,450	26,000	BT Group plc, ADR .....	890,462	519,480
		<u>135,227</u>	<u>135,510</u>	32,000	Deutsche Telekom AG, ADR	558,559	489,600
	<b>Energy and Utilities: Water — 3.7%</b>			6,000	France Telecom SA, ADR ..	149,213	168,420
	<b>Non U.S. Companies</b>			3,000	Manitoba Telecom Services Inc. ....	100,193	87,436
1,000	Consolidated Water Co. Ltd.	20,230	12,500	1,000	Orascom Telecom Holding SAE, GDR .....	21,055	27,634
47,000	Severn Trent plc .....	831,215	809,541	25,000	Portugal Telecom SGPS SA .	299,870	210,940
37,090	United Utilities Group plc ..	366,828	334,089	15,000	Royal KPN NV, ADR .....	114,993	220,950
	<b>U.S. Companies</b>			1,500	Swisscom AG .....	478,884	478,461
8,666	Aqua America Inc. ....	129,735	178,433	20,000	Telecom Italia SpA .....	65,112	31,971
2,700	California Water Service Group .....	76,295	125,361	16,000	Telefonica SA, ADR .....	658,948	1,078,240
4,000	Middlesex Water Co. ....	75,033	68,920	14,000	Telefonos de Mexico SAB de CV, Cl. L, ADR .....	126,939	293,160
17,000	SJW Corp. ....	277,304	508,980	13,000	Telmex Internacional SAB de CV, ADR .....	82,025	147,680
		<u>1,776,640</u>	<u>2,037,824</u>		<b>U.S. Companies</b>		
	<b>Diversified Industrial — 1.1%</b>			31,000	AT&T Inc. ....	897,648	883,500
	<b>Non U.S. Companies</b>			471	FairPoint Communications Inc.	4,567	1,545
13,000	Bouygues SA .....	434,634	545,732	26,000	Sprint Nextel Corp.† .....	377,332	47,580
3,000	Woodward Governor Co. ...	42,552	69,060	5,000	Telephone & Data Systems Inc.	178,025	158,750
		<u>477,186</u>	<u>614,792</u>	25,000	Verizon Communications Inc.	<u>908,836</u>	<u>847,500</u>
	<b>Environmental Services — 0.6%</b>					<u>5,964,330</u>	<u>5,732,946</u>
	<b>Non U.S. Companies</b>				<b>Wireless Communications — 1.1%</b>		
500	Suez Environnement SA† ..	0	8,549	1,400	<b>Non U.S. Companies</b>		
10,000	Veolia Environnement .....	322,146	308,590		America Movil SAB de CV, Cl. L, ADR .....	76,957	43,386
		<u>322,146</u>	<u>317,139</u>	6,000	Millicom International Cellular SA .....	446,019	269,460
	<b>Equipment and Supplies — 0.1%</b>			1,600	Mobile TeleSystems OJSC, ADR .....	54,874	42,688
	<b>U.S. Companies</b>			10,000	Vimpel-Communications, ADR .....	68,250	71,600
1,200	Flowserve Corp. ....	77,321	61,800	4,000	Vodafone Group plc, ADR ..	119,414	81,760
	<b>Independent Power Producers and Energy Traders — 0.5%</b>			3,000	<b>U.S. Companies</b>		
12,000	NRG Energy Inc.† .....	289,986	279,960		United States Cellular Corp.†	<u>131,253</u>	<u>129,720</u>
	<b>TOTAL ENERGY AND UTILITIES .....</b>	<u>38,145,257</u>	<u>39,556,401</u>			<u>896,767</u>	<u>638,614</u>
	<b>COMMUNICATIONS — 17.3%</b>				<b>TOTAL COMMUNICATIONS ..</b>	<u>10,617,721</u>	<u>9,682,725</u>
	<b>Cable and Satellite — 5.9%</b>						
	<b>Non U.S. Companies</b>						
10,000	Cogeco Inc. ....	195,069	201,701				

See accompanying notes to financial statements.



## THE GABELLI GLOBAL UTILITY & INCOME TRUST

### STATEMENT OF ASSETS AND LIABILITIES

December 31, 2008

<b>Assets:</b>	
Investments, at value (cost \$55,835,311) .....	\$55,930,606
Foreign currency, at value (cost \$15) .....	11
Cash .....	92,771
Receivable for investments sold .....	242,713
Dividends and interest receivable .....	174,273
Unrealized appreciation on swap contracts .....	21,588
Deferred offering expense .....	109,678
Prepaid expense .....	3,344
<b>Total Assets</b> .....	<u>56,574,984</u>
<b>Liabilities:</b>	
Payable for investment advisory fees .....	46,328
Payable for payroll expenses .....	18,960
Payable for accounting fees .....	7,502
Payable for shareholder communications expenses .....	26,305
Payable for legal and audit fees .....	45,718
Other accrued expenses .....	8,629
<b>Total Liabilities</b> .....	<u>153,442</u>
<b>Net Assets</b> applicable to 3,050,236 shares outstanding ..	<u>\$56,421,542</u>
<b>Net Assets Consist of:</b>	
Paid-in capital, at \$0.001 par value .....	\$56,821,854
Accumulated distributions in excess of net investment income .....	(38,265)
Accumulated distributions in excess of net realized gain on investments, swap contracts, and foreign currency transactions .....	(478,837)
Net unrealized appreciation on investments .....	95,295
Net unrealized appreciation on swap contracts .....	21,588
Net unrealized depreciation on foreign currency translations .....	(93)
<b>Net Assets</b> .....	<u>\$56,421,542</u>
<b>Net Asset Value per Common Share:</b>	
(\$56,421,542 ÷ 3,050,236 shares outstanding; unlimited number of shares authorized) .....	<u>\$18.50</u>

### STATEMENT OF OPERATIONS

For the Year Ended December 31, 2008

<b>Investment Income:</b>	
Dividends (net of foreign taxes of \$90,044) .....	\$ 2,348,399
Interest .....	116,036
<b>Total Investment Income</b> .....	<u>2,464,435</u>
<b>Expenses:</b>	
Investment advisory fees .....	669,577
Payroll expenses .....	78,430
Trustees' fees .....	58,167
Legal and audit fees .....	57,333
Shareholder communications expenses .....	48,122
Accounting fees .....	45,000
Custodian fees .....	34,417
Shareholder services fees .....	13,703
Interest expense .....	236
Miscellaneous expenses .....	26,818
<b>Total Expenses</b> .....	<u>1,031,803</u>
Less: Custodian fee credits .....	(544)
<b>Net Expenses</b> .....	<u>1,031,259</u>
<b>Net Investment Income</b> .....	<u>1,433,176</u>
<b>Net Realized and Unrealized Gain/(Loss) on Investments, Swap Contracts, and Foreign Currency:</b>	
Net realized gain on investments .....	985,136
Net realized loss on swap contracts .....	(263,955)
Net realized loss on foreign currency transactions .....	(538)
Net realized gain on investments, swap contracts, and foreign currency transactions .....	<u>720,643</u>
Net change in unrealized appreciation/(depreciation) on investments .....	(19,867,653)
on swap contracts .....	17,324
on foreign currency translations .....	(1,989)
Net change in unrealized appreciation/(depreciation) on investments, swap contracts, and foreign currency translations .....	<u>(19,852,318)</u>
<b>Net Realized and Unrealized Gain/(Loss) on Investments, Swap Contracts, and Foreign Currency</b> .....	<u>(19,131,675)</u>
<b>Net Decrease in Net Assets Resulting from Operations</b> .....	<u>\$ (17,698,499)</u>

See accompanying notes to financial statements.

**THE GABELLI GLOBAL UTILITY & INCOME TRUST**  
**STATEMENT OF CHANGES IN NET ASSETS**

	<u>Year Ended</u> <u>December 31, 2008</u>	<u>Year Ended</u> <u>December 31, 2007</u>
<b>Operations:</b>		
Net investment income .....	\$ 1,433,176	\$ 1,402,938
Net realized gain on investments, swap contracts, and foreign currency transactions .....	720,643	3,477,970
Net change in unrealized appreciation/(depreciation) on investments, swap contracts, and foreign currency translations .....	<u>(19,852,318)</u>	<u>2,757,570</u>
<b>Net Increase/(Decrease) in Net Assets Resulting from Operations .....</b>	<u>(17,698,499)</u>	<u>7,638,478</u>
<b>Distributions to Common Shareholders:</b>		
Net investment income .....	(1,677,946)	(921,781)
Net realized short-term gain .....	(240,202)	(859,557)
Net realized long-term gain .....	(1,222,057)	(2,885,523)
Return of capital .....	<u>(520,078)</u>	<u>—</u>
<b>Total Distributions to Common Shareholders .....</b>	<u>(3,660,283)</u>	<u>(4,666,861)</u>
<b>Fund Share Transactions:</b>		
Contribution from Adviser .....	<u>1,974</u>	<u>—</u>
<b>Net Increase/(Decrease) in Net Assets .....</b>	<u>(21,356,808)</u>	<u>2,971,617</u>
<b>Net Assets:</b>		
Beginning of period .....	<u>77,778,350</u>	<u>74,806,733</u>
End of period (including undistributed net investment income of \$0 and \$471,028, respectively) .....	<u>\$ 56,421,542</u>	<u>\$77,778,350</u>

See accompanying notes to financial statements.

# THE GABELLI GLOBAL UTILITY & INCOME TRUST

## FINANCIAL HIGHLIGHTS

Selected data for a common share outstanding throughout each period:

	Year Ended December 31,				Period Ended December 31, 2004 (b)
	2008	2007	2006	2005	
<b>Operating Performance:</b>					
Net asset value, beginning of period	\$ 25.50	\$ 24.52	\$ 20.45	\$ 21.03	\$ 19.06(c)
Net investment income	0.47	0.45	0.64	0.64	0.28
Net realized and unrealized gain/(loss) on investments, swap contracts, and foreign currency transactions	(6.27)	2.06	4.63	0.23	2.29
Total from investment operations	(5.80)	2.51	5.27	0.87	2.57
<b>Distributions to Common Shareholders:</b>					
Net investment income	(0.55)	(0.30)	(0.65)	(0.63)	(0.28)
Net realized gain	(0.48)	(1.23)	(0.55)	(0.82)	(0.06)
Return of capital	(0.17)	—	—	—	(0.26)
Total distributions to common shareholders	(1.20)	(1.53)	(1.20)	(1.45)	(0.60)
<b>Capital Share Transactions:</b>					
Contribution from Adviser	0.00*	—	—	—	—
Total capital share transactions	0.00*	—	—	—	—
<b>Net Asset Value, End of Period</b>	<b>\$ 18.50</b>	<b>\$ 25.50</b>	<b>\$ 24.52</b>	<b>\$ 20.45</b>	<b>\$ 21.03</b>
NAV total return †	(23.30)%	10.46%	26.66%	4.2%	13.9%(d)
Market value, end of period	\$ 15.90	\$ 23.05	\$ 22.17	\$ 17.76	\$ 19.63
Total investment return ††	(26.43)%	11.29%	32.83%	(2.3)%	1.3%(e)
<b>Ratios to Average Net Assets and Supplemental Data:</b>					
Net assets, end of period (in 000's)	\$56,422	\$77,778**	\$74,807	\$62,381	\$64,160
Ratio of net investment income to average net assets	2.15%	1.82%	2.92%	2.99%	2.23%(f)
Ratio of operating expenses to average net assets (a)	1.54%	1.55%	1.66%	1.56%	1.49%(f)
Portfolio turnover rate †††	24.3%	16.7%	21.8%	21.0%	16.9%

† Based on net asset value per share, adjusted for reinvestment of distributions at the net asset value per share on the ex-dividend dates. Total return for a period of less than one year is not annualized.

†† Based on market value per share, adjusted for reinvestment of distributions at prices obtained under the Fund's dividend reinvestment plan. Total return for a period of less than one year is not annualized.

††† Effective in 2008, a change in accounting policy was adopted with regard to the calculation of the portfolio turnover rate to include cash proceeds due to mergers. Had this policy been adopted retroactively, the portfolio turnover rate for the years ended December 31, 2007, 2006, and 2005 would have been 35.0%, 22.2%, 37.8%, respectively. The portfolio turnover rate for the period ended December 31, 2004 would have been as shown.

\* Amount represents less than \$0.005 per share.

\*\* Revised to correct a typographical error.

(a) For the years ended December 31, 2008, 2007, 2006, and 2005, the effect of the custodian fee credits was minimal.

(b) The Gabelli Global Utility & Income Trust commenced investment operations on May 28, 2004.

(c) The beginning of period NAV reflects a \$0.04 reduction for costs associated with the initial public offering.

(d) Based on net asset value per share at commencement of operations of \$19.06 per share.

(e) Based on market value per share at initial public offering of \$20.00 per share.

(f) Annualized.

See accompanying notes to financial statements.

# THE GABELLI GLOBAL UTILITY & INCOME TRUST

## NOTES TO FINANCIAL STATEMENTS

**1. Organization.** The Gabelli Global Utility & Income Trust (the “Fund”) is a non-diversified closed-end management investment company organized as a Delaware statutory trust on March 8, 2004 and registered under the Investment Company Act of 1940, as amended (the “1940 Act”). Investment operations commenced on May 28, 2004.

The Fund’s investment objective is to seek a consistent level of after-tax total return over the long term with an emphasis currently on qualified dividends. The Fund will attempt to achieve its investment objective by investing, under normal market conditions, at least 80% of its assets in equity securities (including preferred securities) of domestic and foreign companies involved to a substantial extent in providing products, services, or equipment for the generation or distribution of electricity, gas, or water and infrastructure operations, and in equity securities (including preferred securities) of companies in other industries, in each case in such securities that are expected to periodically pay dividends.

**2. Significant Accounting Policies.** The preparation of financial statements in accordance with United States (“U.S.”) generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. 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 Trustees (the “Board”) so determines, by such other method as the Board shall determine in good faith to reflect its fair market value. Portfolio securities traded on more than one national securities exchange or market are valued according to the broadest and most representative market, as determined by Gabelli Funds, LLC (the “Adviser”).

Portfolio securities primarily traded on a foreign market are generally valued at the preceding closing values of such securities on the relevant market, but may be fair valued pursuant to procedures established by the Board if market conditions change significantly after the close of the foreign market but prior to the close of business on the day the securities are being valued. Debt instruments with remaining maturities of 60 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 60 days for which market quotations are readily available are valued at the average of the latest bid and asked prices. If there were no asked prices quoted on such day, the security is valued using the closing bid price. Futures contracts are valued at the closing settlement price of the exchange or board of trade on which the applicable contract is traded.

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

Statement of Financial Accounting Standard No. 157, “Fair Value Measurements” (“SFAS 157”) clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value, and requires additional disclosures about the use of fair value measurements. The three levels of the fair value hierarchy under SFAS 157 are described below:

- Level 1 – quoted prices in active markets for identical securities;
- Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.); and
- Level 3 – significant unobservable inputs (including the Fund’s determinations as to the fair value of investments).

**THE GABELLI GLOBAL UTILITY & INCOME TRUST**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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 and other financial instruments, by inputs used to value the Fund's investments as of December 31, 2008 is, as follows:

<u>Valuation Inputs</u>	<u>Investments in Securities (Market Value) Assets</u>	<u>Instruments (Unrealized Appreciation)* Assets</u>
Level 1 – Quoted Prices	\$50,258,908	—
Level 2 – Other Significant Observable Inputs	5,671,698	\$21,588
Total	<u>\$55,930,606</u>	<u>\$21,588</u>

There were no Level 3 investments held at December 31, 2007 and 2008.

\*Other financial instruments are derivative instruments not reflected in the Schedule of Investments, such as futures, forwards, and swaps which are valued at the unrealized appreciation/depreciation on the investment.

In March 2008, the Financial Accounting Standards Board (the "FASB") issued Statement of Financial Accounting Standard No. 161, "Disclosures about Derivative Instruments and Hedging Activities" ("SFAS 161") that is effective for fiscal years beginning after November 15, 2008. SFAS 161 is intended to improve financial reporting for derivative instruments by requiring enhanced disclosure that enables investors to understand how and why an entity uses derivatives, how derivatives are accounted for, and how derivative instruments affect an entity's results of operations and financial position. Management is currently evaluating the implications of SFAS 161 on the Fund's financial statement disclosures.

*Repurchase Agreements.* The Fund may enter into repurchase agreements with primary government securities dealers recognized by the Federal Reserve Board, with member banks of the Federal Reserve System, or with other brokers or dealers that meet credit guidelines established by the Adviser and reviewed by the Board. Under the terms of a typical repurchase agreement, the Fund takes possession of an underlying debt obligation subject to an obligation of the seller to repurchase, and the Fund to resell, the obligation at an agreed-upon price and time, thereby determining the yield during the Fund's holding period. It is the policy of the Fund to always receive and maintain securities as collateral whose market value, including accrued interest, are at least equal to 102% of the dollar amount invested by the Fund in each agreement. The Fund will make payment for such securities only upon physical delivery or upon evidence of book entry transfer of the collateral to the account of the custodian. To the extent that any repurchase transaction exceeds one business day, the value of the collateral is marked-to-market on a daily basis to maintain the adequacy of the collateral. If the seller defaults and the value of the collateral declines or if bankruptcy proceedings are commenced with respect to the seller of the security, realization of the collateral by the Fund may be delayed or limited. At December 31, 2008, there were no open repurchase agreements.

*Swap Agreements.* The Fund may enter into equity and contract for difference swap transactions. The use of swaps is a highly specialized activity that involves investment techniques and risks different from those associated with ordinary portfolio security transactions. In a swap, a set of future cash flows are exchanged between two counterparties. One of these cash flow streams will typically be based on a reference interest rate combined with the performance of a notional value of shares of a stock. The other will be based on the performance of the shares of a stock. There is no assurance that the swap contract counterparties will be able to meet their obligations pursuant to the swap contracts, or that, in the event of default, the Fund will succeed in pursuing contractual remedies. The Fund thus assumes the risk that it may be delayed in or prevented from obtaining payments owed to it pursuant to the swap contracts. The creditworthiness of the swap contract counterparties is closely monitored in order to minimize the risk. Depending on the general state of short-term interest rates and the returns of the Fund's portfolio securities at that point in time, such a default could negatively affect the Fund's ability to make dividend payments. In addition, at the time an equity swap transaction reaches its scheduled termination date, there is a risk that the Fund will not be able to obtain a replacement transaction or that the terms of the replacement will not be as favorable as on the expiring transaction. If this occurs, it could have a negative impact on the Fund's ability to make dividend payments.

The use of derivative instruments involves, to varying degrees, elements of market and counterparty risk in excess of the amount recognized on the following page.

Unrealized gains related to swaps are reported as an asset and unrealized losses are reported as a liability in the Statement of Assets and Liabilities. The change in value of swaps, including the accrual of periodic amounts of interest to be paid or received on swaps, is reported as unrealized gains or losses in the Statement of Operations. A realized gain or loss is recorded upon payment or receipt of a periodic payment or termination of swap agreements.

**THE GABELLI GLOBAL UTILITY & INCOME TRUST**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

Effective March 16, 2008, Bear, Stearns International Limited entered into a Guaranty Agreement with JPMorgan Chase & Co., whereby JPMorgan Chase & Co. unconditionally guarantees the due and punctual payment of certain liabilities of Bear, Stearns International Limited, including the current liabilities of Bear, Stearns International Limited to the Fund. As of December 31, 2008, the Fund held a contract for difference swap with Bear, Stearns International Limited which is covered by the JPMorgan Chase & Co. Guaranty Agreement as of the date of the report. Details of the swap at December 31, 2008 are as follows:

<u>Notional Amount</u>	<u>Equity Security Received</u>	<u>Interest Rate/ Equity Security Paid</u>	<u>Termination Date</u>	<u>Net Unrealized Appreciation</u>
\$219,536 (50,000 Shares)	Market Value Appreciation on: Rolls-Royce Group plc	Overnight LIBOR plus 40 bps plus Market Value Depreciation on: Rolls-Royce Group plc	03/17/09	\$21,588

*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, which are included in unrealized appreciation/depreciation on investments and futures contracts. The Fund recognizes a realized gain or loss when the contract is closed.

There are several risks in connection with the use of futures contracts as a hedging instrument. The change in value of futures contracts primarily corresponds with the value of their underlying instruments, which may not correlate with the change in value of the hedged investments. In addition, there is the risk that the Fund may not be able to enter into a closing transaction because of an illiquid secondary market. At December 31, 2008, there were no open futures contracts.

*Securities Sold Short.* The Fund may enter into short sale transactions. Short selling involves selling securities that may or may not be owned and, at times, borrowing the same securities for delivery to the purchaser, with an obligation to replace such borrowed securities at a later date. The proceeds received from short sales are recorded as liabilities and the Fund records an unrealized gain or loss to the extent of the difference between the proceeds received and the value of an open short position on the day of determination. The Fund records a realized gain or loss when the short position is closed out. By entering into a short sale, the Fund bears the market risk of an unfavorable change in the price of the security sold short. Dividends on short sales are recorded as an expense by the Fund on the ex-dividend date and interest expense is recorded on the accrual basis. The Fund did not hold any short positions as of December 31, 2008.

*Forward Foreign Exchange Contracts.* The Fund may engage in forward foreign exchange contracts for hedging a specific transaction with respect to either the currency in which the transaction is denominated or another currency as deemed appropriate by the Adviser. Forward foreign exchange contracts are valued at the forward rate and are marked-to-market daily. The change in market value is included in unrealized appreciation/depreciation on investments and foreign currency translations. When the contract is closed, the Fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed.

The use of forward foreign exchange contracts does not eliminate fluctuations in the underlying prices of the Fund’s portfolio securities, but it does establish a rate of exchange that can be achieved in the future. Although forward foreign exchange contracts limit the risk of loss due to a decline in the value of the hedged currency, they also limit any potential gain that might result should the value of the currency increase. In addition, the Fund could be exposed to risks if the counterparties to the contracts are unable to meet the terms of their contracts. At December 31, 2008, there were no open forward foreign exchange 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 the 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 trade date and subsequent sale trade date is included in realized gain/loss on investments.

**THE GABELLI GLOBAL UTILITY & INCOME TRUST**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

*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 ability 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 those of securities of comparable U.S. issuers.

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

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

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

*Distributions to Shareholders.* Distributions to shareholders are recorded on the ex-dividend date. Distributions to shareholders are based on income and capital gains as determined in accordance with federal income tax regulations, which may differ from income and capital gains as determined under U.S. generally accepted accounting principles. These differences are primarily due to differing treatments of income and gains on various investment securities and foreign currency transactions held by the Fund, timing differences, and differing characterizations of distributions made by the Fund. Distributions from net investment income 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. These reclassifications have no impact on the NAV of the Fund. For the year ended December 31, 2008, reclassifications were made to increase accumulated distributions in excess of net investment income by \$264,523 and decrease accumulated distributions in excess of net realized gain on investments, swap contracts, and foreign currency transactions by \$264,523.

The tax character of distributions paid during the years ended December 31, 2008 and December 31, 2007 was as follows:

	<u>Year Ended</u> <u>December 31, 2008</u>	<u>Year Ended</u> <u>December 31, 2007</u>
	<u>Common</u>	<u>Common</u>
<b>Distributions paid from:</b>		
Ordinary income (inclusive of net short-term capital gains) . . .	\$1,918,148	\$1,782,462
Net long-term capital gains . . . . .	1,222,057	2,884,399
Return of capital . . . . .	520,078	—
Total distributions paid . . . . .	<u>\$3,660,283</u>	<u>\$4,666,861</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.

Under the current tax law, capital losses related to securities and foreign currency realized after October 31 and prior to the Fund’s fiscal year end may be treated as occurring on the first day of the following year. For the year ended December 31, 2008, the Fund deferred capital losses of \$431,743.

At December 31, 2008, the difference between book basis and tax basis unrealized appreciation was primarily due to deferral of losses from wash sales for tax purposes and mark-to-market adjustment on passive foreign investment companies.

**THE GABELLI GLOBAL UTILITY & INCOME TRUST**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

As of December 31, 2008, the components of accumulated earnings/losses on a tax basis were as follows:

Net unrealized appreciation on investments .....	\$ 31,788
Net unrealized appreciation on swap contracts and foreign currency translations .....	(93)
Post-October capital loss deferral .....	(431,743)
Other temporary differences* .....	(264)
Total .....	<u><u>\$(400,312)</u></u>

\* Other temporary differences are primarily due to swap accrual adjustments and basis adjustments from investments in hybrid securities and conversion premiums.

The following summarizes the tax cost of investments, swap contracts, and the related unrealized appreciation/depreciation at December 31, 2008:

	<u>Cost</u>	<u>Gross Unrealized Appreciation</u>	<u>Gross Unrealized Depreciation</u>	<u>Net Unrealized Appreciation</u>
Investments .....	\$55,898,818	\$5,786,061	\$(5,754,273)	\$31,788

FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes" ("FIN 48") provides guidance for how uncertain tax positions should be recognized, measured, presented, and disclosed in the financial statements. FIN 48 requires the evaluation of 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. Tax positions not deemed to meet the "more-likely-than-not" threshold are recorded as a tax benefit or expense in the current year. In accordance with FIN 48, management has analyzed the Fund's tax positions taken on the federal and state income tax returns for all open tax years (the current and prior three tax years) and has concluded that no provision for income tax is required in the Fund's financial statements. Management's determination regarding FIN 48 may be subject to review and adjustment at a later date based on factors including, but not limited to, an on-going analysis of tax laws, regulations, and interpretations thereof.

**3. Agreements and Transactions with Affiliates.** The Fund has an investment advisory agreement (the "Advisory Agreement") with the Adviser which provides that the Fund will pay the Adviser a fee, computed weekly and paid monthly, equal on an annual basis to 1.00% of the value of the Fund's average weekly total assets. In accordance with the Advisory Agreement, the Adviser provides a continuous investment program for the Fund's portfolio and oversees the administration of all aspects of the Fund's business and affairs.

During the year ended December 31, 2008, the Fund paid brokerage commissions on security trades of \$15,055 to Gabelli & Company, Inc. ("Gabelli & Company"), an affiliate of the Adviser.

The cost of calculating the Fund's NAV per share is a Fund expense pursuant to the Advisory Agreement. During the year ended December 31, 2008, the Fund paid or accrued \$45,000 to the Adviser in connection with the cost of computing the Fund's NAV.

As per the approval of the Board, the Fund compensates officers of the Fund, who are employed by the Fund and are not employed by the Adviser (although the officers may receive incentive based variable compensation from affiliates of the Adviser) and pays its allocated portion of the cost of the Fund's Chief Compliance Officer. For the year ended December 31, 2008 the Fund paid or accrued \$78,430, which is included in payroll expenses in the Statement of Operations.

The Fund pays each Trustee who is not considered to be an affiliated person an annual retainer of \$3,000 plus \$1,000 for each Board meeting attended and they are reimbursed for any out of pocket expenses incurred in attending meetings. All Board committee members receive \$500 per meeting attended. In addition, the Audit Committee Chairman receives an annual fee of \$3,000, the Nominating Committee Chairman receives an annual fee of \$2,000, and the Lead Trustee receives an annual fee of \$1,000. Trustees who are directors or employees of the Adviser or an affiliated company receive no compensation or expense reimbursement from the Fund.

**4. Portfolio Securities.** Purchases and proceeds from the sales of securities for the year ended December 31, 2008, other than short-term securities and U.S. Government obligations, aggregated \$13,890,488 and \$15,813,402 respectively.

Purchases of U.S. Government obligations for the year ended December 31, 2008, other than short-term obligations, aggregated \$1,173,387.

**5. Capital.** The Fund is authorized to issue an unlimited number of common shares of beneficial interest (par value \$0.001). The Board has authorized the repurchase of its shares on the open market when the shares are trading at a discount of 10% or more (or such other percentage as the Board may determine from time to time) from the NAV of the shares. During the year ended December 31, 2008, the Fund did not have any transactions in shares of beneficial interest.

## THE GABELLI GLOBAL UTILITY & INCOME TRUST

### NOTES TO FINANCIAL STATEMENTS (Continued)

At the Fund's November 14, 2007 Board meeting, the Board approved the filing of a shelf registration with the SEC which will give the Fund the ability to offer preferred shares. The shelf registration was declared effective by the SEC on March 19, 2008.

**6. Industry Concentration.** Because the Fund primarily invests in common stocks and other securities of foreign and domestic companies in the utility industry, its portfolio may be subject to greater risk and market fluctuations than a portfolio of securities representing a broad range of investments.

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

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

In a separate matter, on January 12, 2009, the SEC issued an administrative action approving a final settlement of a previously disclosed matter with the Adviser involving compliance with Section 19(a) of the Investment Company Act of 1940 and Rule 19a-1 thereunder by two closed-end funds. These provisions require registered investment companies when making a distribution in the nature of a dividend from sources other than net investment income to contemporaneously provide written statements to shareholders, which adequately disclose the source or sources of such distribution. While the two funds sent annual statements and provided other materials containing this information, the shareholders did not receive the notices required by Rule 19a-1 with any of the distributions that were made for 2002 and 2003. The Adviser believes that the funds have been in compliance with Section 19(a) and Rule 19a-1 since the beginning of 2004. As part of the settlement, in which the Adviser neither admits nor denies the findings by the SEC, the Adviser agreed to pay a civil monetary penalty of \$450,000 and to cease and desist from causing violations of Section 19(a) and Rule 19a-1. In connection with the settlement, the SEC noted the remedial actions previously undertaken by the Adviser. The staff's notice to the Adviser did not relate to the Fund.

**THE GABELLI GLOBAL UTILITY & INCOME TRUST**  
**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Trustees and Shareholders of  
The Gabelli Global Utility & Income Trust:

In our opinion, the accompanying statement of assets and liabilities, including the schedule of investments, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of The Gabelli Global Utility & Income Trust (hereafter referred to as the “Trust”) at December 31, 2008, 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 the financial highlights for each of the periods presented, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as “financial statements”) are the responsibility of the Trust’s management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements 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 are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at December 31, 2008 by correspondence with the custodian and brokers, provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP  
New York, New York  
February 27, 2009

**THE GABELLI GLOBAL UTILITY & INCOME TRUST**  
**ADDITIONAL FUND INFORMATION (Unaudited)**

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

Name, Position(s) Address <sup>1</sup> and Age	Term of Office and Length of Time Served <sup>2</sup>	Number of Funds in Fund Complex Overseen by Trustee	Principal Occupation(s) During Past Five Years	Other Directorships Held by Trustee <sup>4</sup>
<b><u>INTERESTED TRUSTEE<sup>3</sup>:</u></b>				
<b>Salvatore M. Salibello</b> Trustee Age: 63	Since 2004**	3	Certified Public Accountant and Managing Partner of the public accounting firm of Salibello & Broder LLP since 1978	—
<b><u>INDEPENDENT TRUSTEES<sup>5</sup>:</u></b>				
<b>Anthony J. Colavita</b> Trustee Age: 73	Since 2004***	36	Partner in the law firm of Anthony J. Colavita, P.C.	—
<b>James P. Conn</b> Trustee Age: 70	Since 2004*	18	Former Managing Director and Chief Investment Officer of Financial Security Assurance Holdings Ltd. (insurance holding company) (1992-1998)	—
<b>Mario d'Urso</b> Trustee Age: 68	Since 2004**	5	Chairman of Mittel Capital Markets S.p.A. since 2001; Senator in the Italian Parliament (1996-2001)	—
<b>Vincent D. Enright</b> Trustee Age: 65	Since 2004**	16	Former Senior Vice President and Chief Financial Officer of KeySpan Corporation (public utility) (1994-1998)	Director of Echo Therapeutics, Inc. (therapeutics and diagnostics)
<b>Michael J. Melarkey</b> Trustee Age: 59	Since 2004**	5	Partner in the law firm of Avansino, Melarkey, Knobel & Mulligan	Director of Southwest Gas Corporation (natural gas utility)
<b>Salvatore J. Zizza</b> Trustee Age: 63	Since 2004***	28	Chairman of Zizza & Co., Ltd. (consulting)	Director of Hollis-Eden Pharmaceuticals (biotechnology); Director of Earl Scheib, Inc. (automotive services)

**THE GABELLI GLOBAL UTILITY & INCOME TRUST**  
**ADDITIONAL FUND INFORMATION (Continued) (Unaudited)**

<u>Name, Position(s) Address<sup>1</sup> and Age</u>	<u>Term of Office and Length of Time Served<sup>2</sup></u>	<u>Principal Occupation(s) During Past Five Years</u>
<b>OFFICERS:</b>		
<b>Bruce N. Alpert</b> President Age: 57	Since 2004	Executive Vice President and Chief Operating Officer of Gabelli Funds, LLC since 1988 and an officer of all of the registered investment companies in the Gabelli/GAMCO Funds complex. Director and President of Teton Advisors, Inc. (formerly Gabelli Advisors, Inc.) since 1998
<b>David I. Schachter</b> Vice President Age: 55	Since 2004	Vice President of The Gabelli Utility Trust since 1999, The Gabelli Global Deal Fund since 2006, and The Gabelli Healthcare & Wellness <sup>Rx</sup> Trust since 2007; Vice President of Gabelli Funds, LLC since 1996
<b>Agnes Mullady</b> Treasurer and Secretary Age: 50	Since 2006	Vice President of Gabelli Funds, LLC since 2007; Officer of all of the registered investment companies in the Gabelli/GAMCO Funds complex; Senior Vice President of U.S. Trust Company, N.A. and Treasurer and Chief Financial Officer of Excelsior Funds from 2004 through 2005; Chief Financial Officer of AMIC Distribution Partners from 2002 through 2004
<b>Peter D. Goldstein</b> Chief Compliance Officer Age: 55	Since 2004	Director of Regulatory Affairs at GAMCO Investors, Inc. since 2004; Chief Compliance Officer of all of the registered investment companies in the Gabelli/GAMCO Funds complex; Vice President of Goldman Sachs Asset Management from 2000 through 2004

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

<sup>2</sup> The Fund's Board of Trustees is divided into three classes, each class having a term of three years. Each year the term of office of one class expires and the successor or successors elected to such class serve for a three year term. The three year term for each class expires as follows:

\* – Term expires at the Fund's 2009 Annual Meeting of Shareholders or until their successors are duly elected and qualified.

\*\* – Term expires at the Fund's 2010 Annual Meeting of Shareholders or until their successors are duly elected and qualified.

\*\*\* – Term expires at the Fund's 2011 Annual Meeting of Shareholders or until their successors are duly elected and qualified.

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.

<sup>3</sup> "Interested person" of the Fund as defined in the 1940 Act. Mr. Salibello may be considered an "interested person" of the Fund as a result of being a partner in an accounting firm that provides professional services to affiliates of the investment adviser.

<sup>4</sup> 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.

<sup>5</sup> Trustees who are not interested persons are considered "Independent" Trustees.

**THE GABELLI GLOBAL UTILITY & INCOME TRUST**  
**INCOME TAX INFORMATION (Unaudited)**  
**December 31, 2008**

**Cash Dividends and Distributions**

	<u>Payable Date</u>	<u>Record Date</u>	<u>Total Amount Paid Per Share (a)</u>	<u>Ordinary Investment Income (a)</u>	<u>Long-Term Capital Gains (a)</u>	<u>Return of Capital (a)(c)</u>	<u>Dividend Reinvestment Price</u>
<b>Common Shares</b>							
	01/25/08	01/16/08	\$0.10000	\$0.09284	—	\$0.00716	\$21.4197
	02/25/08	02/14/08	0.10000	0.08373	\$0.00911	0.00716	21.4362
	03/25/08	03/17/08	0.10000	0.05369	0.03915	0.00716	20.4267
	04/24/08	04/16/08	0.10000	0.05369	0.03915	0.00716	20.9557
	05/23/08	05/15/08	0.10000	0.05369	0.03915	0.00716	21.2467
	06/24/08	06/16/08	0.10000	0.05369	0.03915	0.00716	20.6110
	07/25/08	07/17/08	0.10000	0.05369	0.03915	0.00716	19.8269
	08/25/08	08/15/08	0.10000	0.05369	0.03915	0.00716	19.4906
	09/24/08	09/16/08	0.10000	0.05369	0.03915	0.00716	17.7200
	10/27/08	10/17/08	0.10000	0.05369	0.03915	0.00716	15.5101
	11/21/08	11/13/08	0.10000	0.05369	0.03915	0.00716	13.9219
	12/17/08	12/12/08	0.10000	0.05369	0.03915	0.00716	15.2299
			<u>\$1.20000</u>	<u>\$0.71347</u>	<u>\$0.40061</u>	<u>\$0.08592</u>	

A Form 1099-DIV has been mailed to all shareholders of record for the distributions mentioned above, setting forth specific amounts to be included in the 2008 tax returns. Ordinary income distributions include net investment income and realized net short-term capital gains. Ordinary income is reported in box 1a of Form 1099-DIV. Capital gain distributions are reported in box 2a of Form 1099-DIV. The long-term gain distributions for the year ended December 31, 2008 were \$1,221,400, or the maximum allowable.

**Corporate Dividends Received Deduction, Qualified Dividend Income, and U.S. Treasury Securities Income**

The Fund paid to common shareholders an ordinary income dividend of \$0.71346 per share in 2008. For the year ended December 31, 2008, 88.43% of the ordinary dividend qualified for the dividends received deduction available to corporations, and 100% of the ordinary income distribution was qualified dividend income. The percentage of ordinary income dividends paid by the Fund during 2008 derived from U.S. Treasury securities was 1.49%. Such income is exempt from state and local tax in all states. However, many states, including New York and California, allow a tax exemption for a portion of the income earned only if a mutual fund has invested at least 50% of its assets at the end of each quarter of its fiscal year in U.S. Government securities. The Fund did not meet this strict requirement in 2008. The percentage of net assets of U.S. Government securities held as of December 31, 2008 was 9.60%.

**Common Shares**

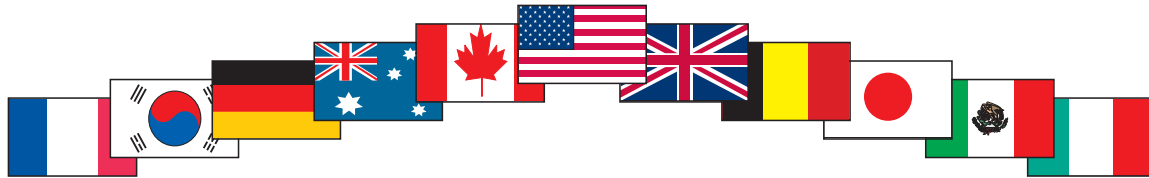
**Historical Distribution Summary**

	<u>Investment Income (b)</u>	<u>Short-Term Capital Gains (b)</u>	<u>Long-Term Capital Gains</u>	<u>Return of Capital (c)</u>	<u>Total Distributions (a)</u>	<u>Adjustment to Cost Basis (d)</u>
2008 .....	\$0.63471	\$0.07875	\$0.40064	\$0.08590	\$1.20000	\$0.08590
2007 .....	0.30220	0.28180	0.94600	—	1.53000	—
2006 .....	0.56420	0.09180	0.54400	—	1.20000	—
2005 .....	0.63370	0.15660	0.65970	—	1.45000	—
2004 .....	0.26099	0.07758	—	0.26143	0.60000	0.26143

- (a) Total amounts may differ due to rounding.  
(b) Taxable as ordinary income for Federal tax purposes.  
(c) Non-taxable.  
(d) Decrease in cost basis.

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.

The Annual Meeting of The Gabelli Global Utility & Income Trust's shareholders will be held on Monday, May 18, 2009 at the Greenwich Library in Greenwich, Connecticut.



**TRUSTEES AND OFFICERS**  
**THE GABELLI GLOBAL UTILITY & INCOME TRUST**  
**One Corporate Center, Rye, NY 10580-1422**

***Trustees***

Anthony J. Colavita  
*Attorney-at-Law,*  
*Anthony J. Colavita, P.C.*

James P. Conn  
*Former Managing Director &*  
*Chief Investment Officer,*  
*Financial Security Assurance Holdings Ltd.*

Mario d’Urso  
*Former Italian Senator*

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

Michael J. Melarkey  
*Attorney-at-Law,*  
*Avansino, Melarkey, Knobel & Mulligan*

Salvatore M. Salibello  
*Certified Public Accountant,*  
*Salibello & Broder LLP*

Salvatore J. Zizza  
*Chairman, Zizza & Co., Ltd.*

***Officers***

Bruce N. Alpert  
*President*

Peter D. Goldstein  
*Chief Compliance Officer*

Agnes Mullady  
*Treasurer and Secretary*

David I. Schachter  
*Vice President & Ombudsman*

***Investment Adviser***

Gabelli Funds, LLC  
 One Corporate Center  
 Rye, New York 10580-1422

***Custodian***

State Street Bank and Trust Company

***Counsel***

Skadden, Arps, Slate, Meagher & Flom, LLP

***Transfer Agent and Registrar***

Computershare Trust Company, N.A.

***Stock Exchange Listing***

NYSE Alternext US–Symbol:

Common

Shares Outstanding:

GLU  
 3,050,236

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

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

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

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

# THE GABELLI GLOBAL UTILITY & INCOME TRUST

One Corporate Center, Rye, NY 10580-1422

Phone: 800-GABELLI (800-422-3554)

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e-mail: [closedend@gabelli.com](mailto:closedend@gabelli.com)

GLU Q4/2008