

Gabelli Enterprise Mergers and Acquisitions Fund

First Quarter Report

January 31, 2017

To Our Shareholders,

For the quarter ended January 31, 2017, the net asset value (“NAV”) per Class A Share of the Gabelli Enterprise Mergers and Acquisitions Fund increased 6.1% compared with an increase of 7.8% for the Standard & Poor’s (“S&P”) 500 Index. The performance of the Bank of America Merrill Lynch 3 Month U.S. Treasury Bill Index for the quarter was 0.1%. See below for additional performance information.

Enclosed is the schedule of investments, as of January 31, 2017.

Comparative Results

Average Annual Returns through January 31, 2017 (a)(b) (Unaudited)

	Quarter	1 Year	5 Year	10 Year	Since Inception (2/28/01)
Class A (EMAAX)	6.14%	11.14%	5.74%	3.10%	4.53%
With sales charge (c)	0.04	4.75	4.49	2.49	4.14
Class AAA (EAAAX)	6.29	11.40	5.96	3.24	4.62
Class C (EMACX)	6.08	10.57	5.16	2.54	3.96
With contingent deferred sales charge (d)	5.08	9.57	5.16	2.54	3.96
Class Y (EMAYX)	6.28	11.64	6.22	3.56	5.00
S&P 500 Index	7.76	20.04	14.09	6.99	5.98
Lipper U.S. Treasury Money Market Fund Average	0.02	0.05	0.02	0.53	1.09
Bank of America Merrill Lynch 3 Month U.S. Treasury Bill Index	0.10	0.37	0.13	0.76	1.47

In the current prospectuses dated February 28, 2017, the Fund’s expense ratios are 1.52%, 1.72%, 2.27%, and 1.27% for the Class AAA, A, C, and Y Shares, respectively. Class AAA and Class Y Shares have no sales charge. The maximum sales charge for Class A Shares and Class C Shares is 5.75% and 1.00%, respectively.

(a) Returns represent past performance and do not guarantee future results. Total returns and average annual returns reflect changes in share price, reinvestment of distributions, and are net of expenses. Investment returns and the principal value of an investment will fluctuate. When shares are redeemed, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Visit www.gabelli.com for performance information as of the most recent month end. The Fund imposes a 2% redemption fee on shares sold or exchanged within seven days of purchase. Performance returns for periods of less than one year are not annualized. Investors should carefully consider the investment objectives, risks, sales charges, and expenses of the Fund before investing. The prospectuses contain information about these and other matters and should be read carefully before investing. To obtain a prospectus, please visit our website at www.gabelli.com. The Class A Shares’ NAV are used to calculate the performance for the periods prior to the issuance of the Class AAA Shares on February 26, 2010. The actual performance for the Class AAA Shares would have been higher due to lower expenses associated with this class of shares. The S&P 500 Index is a market capitalization weighted index of 500 large capitalization stocks commonly used to represent the U.S. equity market. The Lipper U.S. Treasury Money Market Fund Average reflects the average performance of mutual funds classified in this particular category. The Bank of America Merrill Lynch 3 Month U.S. Treasury Bill Index is comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month, that issue is sold and rolled into the outstanding Treasury Bill that matures closest to, but not beyond three months from the rebalancing date. To qualify for selection, an issue must have settled on or before the rebalancing (month end) date. Dividends are considered reinvested except for the Bank of America Merrill Lynch 3 Month U.S. Treasury Bill Index. You cannot invest directly in an index.

(b) The Fund’s fiscal year ends October 31.

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

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

Gabelli Enterprise Mergers and Acquisitions Fund

Schedule of Investments — January 31, 2017 (Unaudited)

Shares	Market Value	Shares	Market Value
COMMON STOCKS — 86.0%			
CONSUMER DISCRETIONARY — 17.7%			
Auto Components — 1.5%			
6,800	Calsonic Kansei Corp. \$ 108,345	3,000	Telegraaf Media Groep NV
10,000	Federal-Mogul Holdings Corp.† 100,000	76,000	Telenet Group Holding NV† \$ 4,070,945
24,000	Haldex AB 326,508	50,000	The E.W. Scripps Co., Cl. A† 974,000
54,000	Navistar International Corp.† 1,472,580	14,000	Time Warner Inc. 1,355,900
7,800	Tenneco Inc.† 526,110	2,000	tronc Inc. 26,520
	<u>2,533,543</u>		<u>14,999,131</u>
Diversified Consumer Services — 1.0%			
2,000	Funespana SA† 13,667	4,000	Aaron's Inc. 123,760
70,000	LifeLock Inc.† 1,677,200	2,000	Blue Nile Inc. 81,420
	<u>1,690,867</u>	22,000	Cabela's Inc.† 1,229,580
			<u>1,434,760</u>
Hotels, Restaurants, and Leisure — 2.0%			
20,000	Belmond Ltd., Cl. A† 277,000	Specialty Retail — 0.9%	
2,000	Brookfield Canada Office Properties 47,739	5,000	Aaron's Inc. 123,760
800	Churchill Downs Inc. 114,680	2,000	Blue Nile Inc. 81,420
180,000	Dover Motorsports Inc. 405,000	22,000	Cabela's Inc.† 1,229,580
2,000	Eldorado Resorts Inc.† 31,000		<u>28,943,889</u>
38,000	Ryman Hospitality Properties Inc. 2,324,840	TOTAL CONSUMER DISCRETIONARY	
	<u>3,200,259</u>		<u>28,943,889</u>
Household Durables — 3.1%			
3,000	Bang & Olufsen A/S† 43,769	HEALTH CARE — 12.6%	
42,000	Harman International Industries Inc. 4,668,720	Biotechnology — 0.6%	
10,000	Nobility Homes Inc.† 159,750	5,500	Bio-Rad Laboratories Inc., Cl. A† 1,045,440
17,000	Skyline Corp.† 177,990	Health Care Equipment and Supplies — 2.4%	
1,500	WCI Communities Inc.† 35,100	27,000	Alere Inc.† 999,000
	<u>5,085,329</u>	12,000	Exactech Inc.† 295,800
		5,700	ICU Medical Inc.† 781,470
		6,000	Smith & Nephew plc, ADR 182,280
		29,000	Vascular Solutions Inc.† 1,622,550
			<u>3,881,100</u>
Media — 9.2%			
7,119	AMC Entertainment Holdings Inc., Cl. A 240,266	Health Care Providers and Services — 2.3%	
180,000	Clear Channel Outdoor Holdings Inc., Cl. A† 891,000	1,000	Chemed Corp. 166,090
124,500	Crown Media Holdings Inc., Cl. A† 628,725	4,300	Cigna Corp. 628,746
3,600	Discovery Communications Inc., Cl. A† 102,060	7,000	Constellation Healthcare Technologies, Inc.† 19,021
10,800	Discovery Communications Inc., Cl. C† 299,268	1,500	Humana Inc. 297,750
20,000	DISH Network Corp., Cl. A† 1,183,400	39,500	Team Health Holdings Inc.† 1,716,670
4,000	Liberty Broadband Corp., Cl. A† 334,720	91,200	Universal American Corp.† 906,528
6,000	Liberty Broadband Corp., Cl. C† 512,040		<u>3,734,805</u>
21,000	Liberty Global plc, Cl. A† 766,080	Life Sciences Tools and Services — 0.3%	
28,000	Liberty Global plc, Cl. C† 983,640	3,000	Illumina Inc.† 480,300
5,700	Liberty Global plc LiLAC, Cl. A† 131,214	Pharmaceuticals — 7.0%	
8,494	Liberty Global plc LiLAC, Cl. C† 189,586	5,600	Actelion Ltd. 1,454,398
5,000	Liberty Media Corp.-Liberty Formula One, Cl. A† .. 144,900	5,500	Allergan plc† 1,203,895
5,000	Liberty Media Corp.-Liberty Formula One, Cl. C† .. 143,700	120,000	ARIAD Pharmaceuticals Inc.† 2,858,400
6,500	Liberty Media Corp.-Liberty SiriusXM, Cl. A† 235,560	33,000	AstraZeneca plc, ADR 898,590
6,500	Liberty Media Corp.-Liberty SiriusXM, Cl. C† 233,285	15,000	Bristol-Myers Squibb Co. 737,400
8,140	Lions Gate Entertainment Corp., Cl. B† 218,071	46,000	CoLucid Pharmaceuticals Inc.† 2,132,100
4,996	Nexstar Media Group Inc. 326,738	3,000	Depomed Inc.† 54,270
4,000	Scripps Networks Interactive Inc., Cl. A 304,640	8,000	Grifols SA, ADR 136,000
20,000	Shaw Communications Inc., Cl. B 431,800	6,000	Mylan NV† 228,300
20,000	Sky plc† 251,852	3,000	Perrigo Co. plc 228,450
		16,500	VCA Inc.† 1,494,900
			<u>11,426,703</u>
			TOTAL HEALTH CARE
			<u>20,568,348</u>

See accompanying notes to schedule of investments.

Gabelli Enterprise Mergers and Acquisitions Fund
Schedule of Investments (Continued) — January 31, 2017 (Unaudited)

Shares	Market Value	Shares	Market Value
COMMON STOCKS (Continued)			
CONSUMER STAPLES — 10.0%			
Consumer Products — 0.5%			
24,600	Arctic Cat Inc. †	\$ 462,480	
60,000	Avon Products Inc. †	<u>352,200</u>	
		814,680	
Food and Staples Retailing — 3.4%			
50,000	CST Brands Inc.	2,409,000	
355,000	Rite Aid Corp. †	1,995,100	
6,000	SpartanNash Co.	227,160	
29,000	Village Super Market Inc., Cl. A	<u>878,410</u>	
		5,509,670	
Food Products — 6.1%			
4,500	Flowers Foods Inc.	90,495	
30,000	GrainCorp Ltd., Cl. A	216,371	
800	Mead Johnson Nutrition Co.	56,368	
10,000	Mondelēz International Inc., Cl. A	442,800	
600,000	Parmalat SpA	1,936,633	
2,000,000	Premier Foods plc †	1,000,113	
4,650	Snyder's-Lance Inc.	178,467	
1,500	The Hershey Co.	158,205	
83,000	The WhiteWave Foods Co. †	4,569,980	
32,000	Tootsie Roll Industries Inc.	1,198,400	
1,375	Warrnambool Cheese & Butter Factory Co. Holding Ltd. †	9,229	
450,000	Yashili International Holdings Ltd.	<u>95,117</u>	
		9,952,178	
TOTAL CONSUMER STAPLES			
		<u>16,276,528</u>	
MATERIALS — 8.9%			
Building Products — 2.0%			
52,000	Griffon Corp.	1,323,400	
5,000	Headwaters Inc. †	115,850	
14,000	Norbord Inc.	347,512	
11,000	Vulcan Materials Co.	<u>1,411,630</u>	
		3,198,392	
Chemicals — 4.0%			
100,000	Canexus Corp.	125,264	
7,000	Ferro Corp. †	98,980	
1,500	Linde AG	243,617	
4,000	Monsanto Co.	433,240	
34,000	SGL Carbon SE †	295,277	
4,500	Syngenta AG, ADR	382,680	
45,000	The Valspar Corp.	<u>4,980,150</u>	
		6,559,208	
Containers and Packaging — 2.5%			
6,000	Greif Inc., Cl. A	345,480	
1,000	Greif Inc., Cl. B	71,200	
1,100	Multi Packaging Solutions International Ltd. †	19,602	
260,000	Myers Industries Inc.	\$ 3,588,000	
		<u>4,024,282</u>	
Metals and Mining — 0.4%			
35,000	Alamos Gold Inc., Cl. A	262,500	
2,222	Alcoa Corp.	80,992	
17,752	AuRico Metals Inc. †	15,689	
19,000	Pan American Silver Corp.	<u>370,290</u>	
		729,471	
TOTAL MATERIALS			
		<u>14,511,353</u>	
TELECOMMUNICATION SERVICES — 8.8%			
Diversified Telecommunications Services — 3.5%			
280,000	Asia Satellite Telecommunications Holdings Ltd. †	351,493	
42,000	Cincinnati Bell Inc. †	963,900	
27,000	Inteligent Inc.	618,300	
220,000	Koninklijke KPN NV	632,677	
50,000	Level 3 Communications Inc. †	2,973,000	
5,000	Loral Space & Communications Inc. †	203,750	
500	NeuStar Inc., Cl. A †	16,600	
1,000	Rogers Communications Inc., Cl. B	<u>43,400</u>	
		5,803,120	
Wireless Telecommunications Services — 5.3%			
45,000	Millicom International Cellular SA, SDR	2,225,538	
58,000	Sprint Corp. †	535,340	
9,000	Telephone & Data Systems Inc.	275,850	
40,000	T-Mobile US Inc. †	2,490,800	
70,000	United States Cellular Corp. †	<u>3,121,300</u>	
		8,648,828	
TOTAL TELECOMMUNICATION SERVICES			
		<u>14,451,948</u>	
INDUSTRIALS — 8.2%			
Aerospace and Defense — 1.6%			
10,000	Arconic Inc.	227,900	
7,000	B/E Aerospace Inc.	430,290	
40,000	Kaman Corp.	<u>2,021,200</u>	
		2,679,390	
Air Freight and Logistics — 0.3%			
2,000	XPO Logistics Europe SA †	<u>432,342</u>	
Commercial Services and Supplies — 3.7%			
30,000	Brammer plc	62,271	
33,222	CLARCOR Inc.	2,751,114	
1,000	G & K Services Inc., Cl. A	96,060	
7,000	Lavendon Group plc	23,688	
9,000	Rollins Inc.	317,340	
1,000	The Brink's Co.	44,500	
115,800	The Interpublic Group of Companies Inc.	<u>2,724,774</u>	

See accompanying notes to schedule of investments.

Gabelli Enterprise Mergers and Acquisitions Fund

Schedule of Investments (Continued) — January 31, 2017 (Unaudited)

Shares		Market Value	Shares		Market Value
	COMMON STOCKS (Continued)			INFORMATION TECHNOLOGY — 5.5%	
	INDUSTRIALS (Continued)			Communications Equipment — 1.0%	
	Commercial Services and Supplies (Continued)			Brocade Communications Systems Inc.	\$ 1,035,010
1,111	Vectrus Inc.†	\$ 25,042	83,000	Digi International Inc.†	261,000
		6,044,789	6,925	exactEarth Ltd.†	10,590
			4,050	Harris Corp.	415,975
					<u>1,722,575</u>
	Electrical Equipment and Instruments — 0.3%			Electrical Equipment and Instruments — 1.5%	
18,600	PKC Group OYJ	470,045		Axis Communications AB	1,946,702
				e2v technologies plc.	369,891
	Machinery — 2.2%			Park Electrochemical Corp.	120,978
5,000	CIRCOR International Inc.	311,400	47,300	SLM Solutions Group AG†	7,664
25,000	CNH Industrial NV	221,299	108,000		<u>2,445,235</u>
5,000	Hitachi Koki Co. Ltd.	38,393	6,600		
70,000	Joy Global Inc.	1,968,400	200		
1,400	SLM Solutions Group AG†	53,651			
19,000	Xylem Inc.	936,890			
		<u>3,530,033</u>			
				Semiconductors and Semiconductor Equipment — 1.7%	
	Railroads and Transportation — 0.1%			AIXTRON SE†	54,544
3,000	GATX Corp.	173,460	5,000	Intersil Corp., Cl. A	112,150
			100,000	InvenSense Inc.†	1,266,000
			109	MACOM Technology Solutions Holdings Inc.†	5,178
	TOTAL INDUSTRIALS	<u>13,330,059</u>	10,000	MoSys Inc.†	2,917
			13,000	NXP Semiconductors NV†	1,272,050
					<u>2,712,839</u>
	FINANCIALS — 6.9%			Software — 1.3%	
	Capital Markets — 0.1%			Ausy†	474,551
5,000	BKF Capital Group Inc.†	36,250	8,000	Dell Technologies Inc., Cl. V†	62,990
3,000	Kinnevik AB, Cl. A	79,672	1,000	FalconStor Software Inc.†	46,500
3,400	Nordnet AB, Cl. B	14,771	75,000	InterXion Holding NV†	7,686
		<u>130,693</u>	200	Mentor Graphics Corp.	1,494,855
			40,500		<u>2,086,582</u>
	Commercial Banks — 2.5%			TOTAL INFORMATION TECHNOLOGY	<u>8,967,231</u>
150,000	Astoria Financial Corp.	2,836,500		UTILITIES — 4.4%	
14,000	EverBank Financial Corp.	272,020		Electric Utilities — 3.6%	
25,000	KeyCorp.	449,250		Avangrid Inc.	155,200
20,025	Sterling Bancorp	477,596		Endesa SA	781,249
		<u>4,035,366</u>		Hawaiian Electric Industries Inc.	83,700
				Westar Energy Inc.	4,872,879
	Consumer Finance — 1.5%				<u>5,893,028</u>
90,000	Navient Corp.	1,353,600	4,000		
100,000	SLM Corp.†	1,188,000	38,000		
		<u>2,541,600</u>	2,500		
			89,100		
	Insurance — 2.8%			Gas Utilities — 0.2%	
3,000	Allied World Assurance Co. Holdings AG	159,390	10,000	Gas Natural Inc.	126,500
1,400	Argo Group International Holdings Ltd.	89,530	800	Ixia†	15,560
1,000	Aspen Insurance Holdings Ltd.	56,400	1,000	Southwest Gas Holdings Inc.	80,570
87,000	Delta Lloyd NV	499,920	100	WGL Holdings Inc.	8,194
40,000	Endurance Specialty Holdings Ltd.	3,707,600			<u>230,824</u>
100	Patriot National Inc.†	428			
400	Topdanmark A/S†	10,522			
		<u>4,523,790</u>			
	TOTAL FINANCIALS	<u>11,231,449</u>		Independent Power Producers and Energy Traders — 0.0%	
				Alerion Cleanpower SpA	21,083
			7,000	GenOn Energy Inc., Escrow	0
			75,000		<u>21,083</u>

See accompanying notes to schedule of investments.

Gabelli Enterprise Mergers and Acquisitions Fund

Notes to Schedule of Investments (Unaudited)

As an investment company, the Fund follows the investment company accounting and reporting guidance, which is part of U.S. generally accepted accounting principles (“GAAP”) that may require the use of management estimates and assumptions in the preparation of its schedule of investments. 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 schedule of investments.

Security Valuation. Portfolio securities listed or traded on a nationally recognized securities exchange or traded in the U.S. over-the-counter market for which market quotations are readily available are valued at the last quoted sale price or a market’s official closing price as of the close of business on the day the securities are being valued. If there were no sales that day, the security is valued at the average of the closing bid and asked prices or, if there were no asked prices quoted on that day, then the security is valued at the closing bid price on that day. If no bid or asked prices are quoted on such day, the security is valued at the most recently available price or, if the Board of Directors (the “Board”) so determines, by such other method as the Board shall determine in good faith to reflect its fair market value. Portfolio securities traded on more than one national securities exchange or market are valued according to the broadest and most representative market, as determined by Gabelli Funds, LLC (the “Adviser”).

Portfolio securities primarily traded on a foreign market are generally valued at the preceding closing values of such securities on the relevant market, but may be fair valued pursuant to procedures established by the Board if market conditions change significantly after the close of the foreign market, but prior to the close of business on the day the securities are being valued. Debt instruments with remaining maturities of sixty days or less that are not credit impaired are valued at amortized cost, unless the Board determines such amount does not reflect the securities’ fair value, in which case these securities will be fair valued as determined by the Board. Debt instruments having a maturity greater than sixty days for which market quotations are readily available are valued at the average of the latest bid and asked prices. If there were no asked prices quoted on such day, the security is valued using the closing bid price. U.S. government obligations with maturities greater than sixty days are normally valued using a model that incorporates market observable data such as reported sales of similar securities, broker quotes, yields, bids, offers, and reference data. Certain securities are valued principally using dealer quotations.

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

The inputs and valuation techniques used to measure fair value of the Fund’s investments are summarized into three levels as described in the hierarchy below:

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

Gabelli Enterprise Mergers and Acquisitions Fund

Notes to Schedule of Investments (Unaudited) (Continued)

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input both individually and in the aggregate that is significant to the fair value measurement. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of the Fund's investments in securities by inputs used to value the Fund's investments as of January 31, 2017 is as follows:

	Valuation Inputs			Total Market Value at 1/31/17
	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	
INVESTMENTS IN SECURITIES:				
ASSETS (Market Value):				
Common Stocks:				
Consumer Discretionary				
Auto Components	\$ 2,433,543	\$ 100,000	—	\$ 2,533,543
Household Durables	4,925,579	159,750	—	5,085,329
Media	14,370,406	—	\$ 628,725	14,999,131
Other Industries (a)	6,325,886	—	—	6,325,886
Health Care				
Health Care Providers and Services	3,715,784	19,021	—	3,734,805
Other Industries (a)	16,833,543	—	—	16,833,543
Financials				
Capital Markets	94,443	36,250	—	130,693
Other Industries (a)	11,100,756	—	—	11,100,756
Information Technology				
Electrical Equipment and Instruments	2,437,571	7,664	—	2,445,235
Other Industries (a)	6,521,996	—	—	6,521,996
All Other Industries (a)	70,574,040	—	—	70,574,040
Total Common Stocks	139,333,547	322,685	628,725	140,284,957
Rights (a)	—	184,180	961,420	1,145,600
Warrants (a)	757	—	—	757
U.S. Government Obligations	—	21,657,052	—	21,657,052
TOTAL INVESTMENTS IN SECURITIES – ASSETS	\$139,334,304	\$22,163,917	\$1,590,145	\$163,088,366

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

Additional Information to Evaluate Qualitative Information.

General. The Fund uses recognized industry pricing services – approved by the Board and unaffiliated with the Adviser – to value most of its securities, and uses broker quotes provided by market makers of securities not valued by these and other recognized pricing sources. Several different pricing feeds are received to value domestic equity securities, international equity securities, preferred equity securities, and fixed income securities. The data within these feeds is ultimately sourced from major stock exchanges and trading systems where these securities trade. The prices supplied by external sources are checked by obtaining quotations or actual transaction prices from market participants. If a price obtained from the pricing source is deemed unreliable, prices will be sought from another pricing service or from a broker/dealer that trades that security or similar securities.

Fair Valuation. Fair valued securities may be common and preferred equities, warrants, options, rights, or fixed income obligations. Where appropriate, Level 3 securities are those for which market quotations are not available, such as securities not traded for several days, or for which current bids are not available, or which are restricted as to transfer. When fair valuing a security, factors to consider include recent prices of comparable securities that are publicly traded, reliable prices of securities not publicly traded, the use of valuation models,

Gabelli Enterprise Mergers and Acquisitions Fund

Notes to Schedule of Investments (Unaudited) (Continued)

current analyst reports, valuing the income or cash flow of the issuer, or cost if the preceding factors do not apply. A significant change in the unobservable inputs could result in a lower or higher value in Level 3 securities. The circumstances of Level 3 securities are frequently monitored to determine if fair valuation measures continue to apply.

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

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

The Fund's derivative contracts held at January 31, 2017, if any, are not accounted for as hedging instruments under GAAP and are disclosed in the Schedule of Investments together with the related counterparty.

Swap Agreements. The Fund may enter into equity contract for difference swap transactions for the purpose of increasing the income of the Fund. 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 an equity contract for difference swap, a set of future cash flows is 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. Depending on the general state of short term interest rates and the returns on the Fund's portfolio securities at the time an equity contract for difference 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.

Forward Foreign Exchange Contracts. The Fund may engage in forward foreign exchange contracts for the purpose of 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. 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.

Gabelli Enterprise Mergers and Acquisitions Fund

Notes to Schedule of Investments (Unaudited) (Continued)

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. There were no forward foreign exchange contracts held at January 31, 2017.

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

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

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

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 broker retains collateral for the value of the open positions, which is adjusted periodically as the value of the position fluctuates. At January 31, 2017, there were no short sales outstanding.

Tax Information. The Fund intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended.

Gabelli Enterprise Mergers and Acquisitions Fund
Notes to Schedule of Investments (Unaudited) (Continued)

At October 31, 2016, the Fund had net capital loss carryforwards for federal income tax purposes of \$3,064,357 which are available to reduce future required distributions of net capital gains to shareholders through 2017.

GABELLI ENTERPRISE MERGERS AND ACQUISITIONS FUND
One Corporate Center
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Portfolio Manager Biography

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

GABELLI ENTERPRISE MERGERS AND ACQUISITIONS FUND

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Paul Hastings LLP

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

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GABELLI
FUNDS

GABELLI ENTERPRISE MERGERS AND ACQUISITIONS FUND

First Quarter Report
January 31, 2017

