



GAMCO International Growth Fund, Inc.

Shareholder Commentary – December 31, 2009



Caesar Bryan

To Our Shareholders,

For the fourth quarter of 2009, the net asset value per Class AAA Share of The GAMCO International Growth Fund appreciated by 6.4%. This compares with a rise of 4.1% for the average International Multi-Cap Growth Fund monitored by Lipper and an appreciation of 2.2% for the EAFE Index.

For 2009, the Fund returned 38.0% compared with a rise of 41.6% and 32.5% for the average International Multi-Cap Growth Fund and the EAFE Index, respectively.

Average Annual Returns through December 31, 2009*

	<u>Quarter</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	Since Inception (6/30/95)
GAMCO International Growth Fund Class AAA	6.38%	38.02%	(4.57)%	3.08%	0.16%	6.86%
MSCI EAFE Index.	2.22	32.46	(5.57)	4.02	1.58	5.29
Lipper International Multi-Cap Growth Fund Average . .	4.11	41.59	(5.60)	4.23	1.37	7.53

The expense ratio in the current prospectus is 2.01% for the Fund's Class AAA Shares. Class AAA Shares do not have a sales charge.

*** Returns represent past performance and do not guarantee future results.** Total returns and average annual returns reflect changes in share price and reinvestment of dividends and are net of expenses. Investment returns and the principal value of an investment will fluctuate. When shares are redeemed, they may be worth more or less than their original cost. Performance returns for periods of less than one year are not annualized. Current performance may be lower or higher than the performance data presented. Visit www.gabelli.com for performance information as of the most recent month end. See page 10 for performance of other share classes. **Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectus contains more information about this and other matters and should be read carefully before investing.** Investing in foreign securities involves risks not ordinarily associated with investments in domestic issues, including currency fluctuation, economic, and political risks. The Morgan Stanley Capital International (MSCI) Europe, Australasia, and Far East (EAFE) Index is an unmanaged indicator of international stock market performance, while the Lipper International Multi-Cap Growth Fund Average reflects the average performance of mutual funds classified in this particular category. You cannot invest directly in an index.

During the quarter, gains for most equity markets were much more modest than those achieved in the third quarter. Among the large developed markets and in terms of U.S. dollars, the best performer was the United Kingdom, which rose by 6.2%. That market was aided by a heavy weighting in energy and materials stocks, which performed well. Elsewhere in Europe, Germany rose by 2.2%, France by 1.7%, and Switzerland by 3.8%. The standout on the downside was Greece, which declined by 22.8%, reflecting investor concerns about the country's fiscal situation. Austria, Denmark, Finland, Ireland, and Italy also declined.

In Asia, Japan fell by 2.8%, and albeit in local currency terms, the market managed a small positive return. Asia/Pacific, ex Japan, returned 5.8%. The larger emerging markets did well; China rose by 9.5%, India by 7.5%, Russia by 10.4%, and Brazil by 12.1%

On a global basis and according to MSCI, Materials was the strongest performing sector, appreciating by 11.1% in the quarter. Other sectors that did well were Health Care +7.1%, Information Technology +7.9%, and Consumer Staples +5.9%. The only sector among ten to decline was Financials, which fell by 4.0%, but this followed a strong performance in the previous quarter.

The dollar turned in a mixed performance relative to the leading foreign currencies during the three months under review. The dollar strengthened significantly relative to the Yen, firmed relative to the Euro, but declined against the Sterling and the Swiss Franc. In aggregate, the strength of the dollar negatively impacted returns from developed overseas markets.

Our Approach

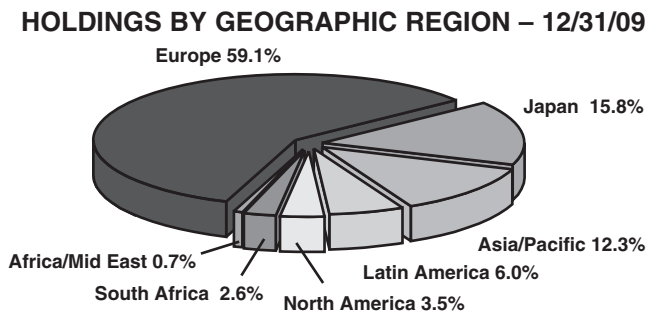
We purchase attractively valued companies that we believe have the opportunity to grow earnings more rapidly than the average in that company's local market. We pay close attention to a company's market position, management, and balance sheet, with particular emphasis on the ability of the company to finance its growth. Generally, we value a company relative to its local market but, where appropriate, will attempt to benefit from valuation discrepancies between markets. Our primary focus is on security selection and not country allocation, but the Fund will remain well diversified by sector and geography. Country allocation is likely to reflect broad economic, financial, and currency trends as well as relative size of the market.

International Allocation

The accompanying chart presents the Fund's holdings by geographic region as of December 31, 2009. The geographic allocation will change based on current global market conditions. Countries and/or regions represented in the chart may or may not be included in the Fund's future portfolio.

COMMENTARY

During the fourth quarter, global equity markets continued the recovery that began in March 2009. This recovery has been based upon better economic news and a continued improvement in financial market conditions.



It is hardly surprising that there is better news from the real economy bearing in mind the extraordinary monetary and fiscal stimulus that has been thrown at the global economy. First, we examine monetary policy. Short term interest rates are at record lows in most leading economies. They are, for all intents and purposes, at or near zero in the United States, United Kingdom, the Eurozone, and Japan. Further, a number of leading central banks have embarked on a policy of quantitative easing, otherwise known as the printing of money. The biggest users, or possible abusers, of this technique have been the Federal Reserve and the Bank of England. The Federal Reserve has embarked on a buying spree of mortgage backed securities and agency debt. By early January, their holdings of these securities totaled \$1.13 trillion, a rise of \$1.10 during the past twelve months. The Federal Reserve has also added \$330 billion to its holding of Treasuries, which now totals \$776 billion. This has resulted in a staggering rise in the monetary base. Across the Atlantic, the Bank of England owns about 30% of the outstanding supply of U.K. government bonds. Interestingly, despite this massive intervention, the United Kingdom appears to be the last of the major economies to exit the recession, which in their case has been the longest since the Great Depression.

The authorities have also employed the other major tool of economic management, namely fiscal policy. Public sector spending has risen sharply in many countries as tax receipts have fallen. This has led to sharply higher budget deficits in these countries. For example, in the United States, the federal budget deficit is running at over 10% of GDP. The numbers are worse in the United Kingdom and other European countries such as Greece, Portugal, and Ireland. Aside from budget deficits, the level of public indebtedness is rising to an unsustainable level in a number of countries.

The use of monetary and fiscal stimulus has worked and the global economy has clearly been steered away from the rocks and a possible second Great Depression. In terms of accelerating growth, leading the charge were emerging markets headed by China. These countries have improved financial metrics, such as current accounts surplus and well capitalized banks. This has helped them weather this particular storm. China, usually viewed as an export dependent economy, acted quickly to spur domestic demand and growth thus accelerated throughout the year. For the fourth quarter of 2009, GDP in China rose to 10.7% and averaged 8.7% for the year. China has now surpassed Germany as the world's largest exporter and, by some measures, car sales in China are larger than those in the United States. This performance has been astounding and has helped spur demand for energy and a variety of raw materials. Loan growth in China has been growing at an unsustainable pace, and with asset prices rising strongly, the authorities have begun to tighten monetary policy. This signifies strength and should be welcomed by markets and follows interest rates rising in a number of commodity producing countries such as Australia, New Zealand, and Norway.

During the next few months, the global economy should enjoy a period of reasonably strong growth, but less than what one would expect bearing in mind the severity of the downturn. This is due to the ongoing deleveraging by consumers, particularly in both the United States and the United Kingdom. According to *The Economist*, GDP is expected to grow by 2.8% in the U.S., 1.4% in the Eurozone, 9.3% in China, and 1.5% in Japan in 2010. This may prove to be a little pessimistic but may incorporate a slowdown in the second half of the year. The International Money Fund expects global growth of 3.9% in 2010. Interestingly, this is 0.8% more than they expected for 2010 when they made their last forecast in October.

The improvement in financial market conditions in 2009 was nothing short of spectacular and clearly helped spur equity market returns. While U.S. Treasury bond yields rose during 2009, returns on high yield and junk bonds totaled 57.5%, according to a Merrill Lynch Index. Investment grade bonds also did well, returning about 20%. Helped by the Federal Reserve's purchases of mortgage backed securities, the spread between these securities and the ten year government bond fell to a record low of about 70 basis points, which compares with about 240 basis points at the height of the crisis. Equally, emerging market bond spreads narrowed significantly but not to the record lows of 2007. Improved credit market conditions, along with the economic recovery, have led to an increase in merger and acquisition activity both in the U.S. and overseas; this is likely to continue throughout 2010.

Looking ahead, we, like many others, expect that economic growth will likely maintain its recent momentum. However, is this growth self sustaining or is it reliant on the fiscal and monetary stimulus that has been so liberally supplied? Only time will tell, but the authorities are only too aware of the pitfalls of withdrawing monetary stimulus too soon, especially in those economies where consumers are continuing to deleverage. We believe that interest rates will remain low in the United States and Europe for an extended period of time, assuming inflation remains dormant. This is due to our suspicion that bank balance sheets remain impaired and low interest rates will help them return to good health.

Investment Scorecard

With a few exceptions, some of the Fund's more economically sensitive holdings did best during the quarter. Among these were CNH Global +46.3% (1.0% of net assets as of December 31, 2009), Anglo American +37.4% (3.1%), Rio Tinto +28.3% (3.7%), Xstrata +22.7% (4.5%), and Syngenta +22.6% (1.5%). Real Estate Investment company Hongkong Land +23.7% (0.7%) and U.K. based asset manager Schroders +22.9% (0.9%) also performed well. However, the Fund's top performer was AXA Asia Pacific +53.0% (1.4%), the Australian insurer and asset manager. The company was bid for during the quarter by its French parent company, AXA, in combination with an Australian partner. Following the takeover the French parent would control AXA's Asia Pacific's non Australian business with AXA Asia Pacific's Australian business going to the Australian partner. Rounding out the top ten were Impala Platinum +19.4% (0.9%) and Richemont +19.0% (2.4%).

Among the Fund's losers for the quarter were a number of Japanese holdings, including Square Enix (1.2%), which declined by 22.7%. Otherwise, Hellenic Bottling (-13.7%) (1.0%), headquartered in Greece, got caught up in the problems affecting the Greek economy, although Greece represents only a small part of the company's business. Orascom Telecom (-26.0%) (0.7%) was hurt by an unexpected tax charge from the Algerian authorities.

During the quarter, we added to our holdings in Swire Pacific (1.7%), China Merchants (0.9%), Sinotrans (0.6%), CNH Global, and established a new position in Naspers (0.6%), a South African pay TV company and Downer EDI (0.7%), which is based in Australia and is involved in a number of engineering and commodity businesses. We eliminated our positions in China Mobile, Heritage Oil, British Sky Broadcasting, and Telestra, and reduced our holdings in SECOM (1.0%), Hennes & Mauritz (1.3%), SMC (1.2%), and CRH (1.9%).

Let's Talk Stocks

The following are stock specifics on selected holdings of our Fund. Favorable earnings prospects do not necessarily translate into higher stock prices, but they do express a positive trend that we believe will develop over time. Individual securities mentioned are not necessarily representative of the entire portfolio. For the following holdings, the percentage of net assets and their share prices stated in U.S. dollar equivalent terms are presented as of December 31, 2009.

Cadbury plc (1.6% of net assets as of December 31, 2009) (CRBY - \$12.86 - London Stock Exchange) is a global producer of chocolate, chewing gum, and candy, selling its products under brands including Cadbury, Dentyne, and Trident. The company spun off its Americas Beverages business in 2008 and sold its Australian Beverages business in April 2009, making the company a pure-play confectioner. Cadbury has significant exposure to fast growing emerging markets, including Latin America, Eastern Europe, and Asia. Management has also laid out aggressive plans for cost reductions in order to substantially increase margins over the next several years while maintaining strong revenue growth. On January 19, 2010, Kraft Foods Inc. raised its offer to buy the company for £8.40 per share (about \$55 per ADR), plus a 10p dividend to Cadbury shareholders. Cadbury's board now recommends the revised offer.

CNH Global NV (1.0%) (CNH - \$24.98 - NYSE), headquartered in the Netherlands, is a global manufacturer of agricultural and construction equipment. The company operates in three segments: Agricultural Equipment, Construction Equipment, and Financial Services. We continue to believe that CNH offers the most compelling risk/reward ratio in the agricultural space.

CRH plc (1.9%) (CRH - \$27.19 - NYSE) is a Dublin, Ireland based international building materials company that has an excellent long-term track record of increasing earnings per share. CRH is a leading producer and distributor of a wide range of building products and materials that has grown by making acquisitions, which are complementary to its existing operations. CRH's diversity in its product line and geographic reach keep this company well protected against a slowdown in any one particular product segment or country. This global presence should contribute to CRH's continued growth. In May 2008, the company acquired a 45% interest in My Home Industries Limited. The company operates in 35 countries and employs approximately 93,500 people.

Diageo plc (2.4%) (DEO - \$17.45 - NYSE) is the leading spirits and wine company globally, with brands including Smirnoff, Johnny Walker, Ketel One, Captain Morgan, Crown Royal, J&B, Baileys, Tanqueray, and Jose Cuervo, as well as the Guinness beer brand. The company has a balanced geographic presence in both mature and emerging markets and benefits from the trend of consumers around the world increasingly seeking premium branded spirits. Management is a prudent steward of capital and has historically returned a significant amount of cash to shareholders through dividends and share repurchases. Despite the current economic headwinds, the company delivered organic operating profit growth of 4% in fiscal 2009 (ended June 30) and expects low single digit operating profit growth in fiscal 2010. We believe that the company will deliver even stronger profit growth when the global economy begins to recover.

Jardine Matheson Holdings LTD (2.1%) (JM.SP - \$30.04 - Singapore), founded as a trading company in China in 1832, is today a diversified business group focused principally on Asia. Its businesses comprise a combination of cash generating activities and long-term property assets. The Group's interests include Jardine Pacific, Jardine Motors, Jardine Lloyd Thompson, Hongkong Land, Dairy Farm, Mandarin Oriental, Jardine Cycle & Carriage, and Astra International. These companies are leaders in the fields of engineering and construction, transport services, insurance brokering, property investment and development, retailing, restaurants, luxury hotels, motor vehicles and related activities, financial services, heavy equipment, mining, and agribusiness. The Group also has a minority investment in Rothschilds Continuation, the merchant banking house. Jardine Matheson Limited operates from Hong Kong and provides management services to Group companies.

Orascom Telecom (0.7%) (OTLD LI - \$22.74 - London Stock Exchange) is a mobile operator serving six major markets in the Middle East, Asia, and North Africa. Orascom's subscriber base reached nearly 89 million as of September 30, an increase of 12.1% in the year. The company's most important single market is Algeria, which represents 40.5% of revenue and 49.5% of mobile EBITDA. A rights issue in the first quarter of 2010 will raise \$800 million to strengthen the Orascom balance sheet and ensure that there is sufficient liquidity in the event that there is no swift resolution of a tax dispute with the Algerian authorities. Orascom continues to invest in its new startup ventures in each of Canada, which launched in the fourth quarter of 2009, and North Korea, where service began in 2009. The company is also building a portfolio of smaller operations in sub Saharan Africa. Orascom is controlled by Weather Investments, a private holding company that also owns Wind in Italy and Wind Hellas in Greece.

Pernod Ricard (2.2%) (RI - \$85.51 - Paris Stock Exchange) is a leading global spirits and wine producer, and is benefiting from growth in the global spirits and wine market and a general trend of consumers trading up to premium brands. The company has significant exposure to the fast growing spirits market in China, where its Chivas Regal and Ballantine's Scotches, as well as Martell cognac, are all experiencing exceptional growth. The company's brands are performing well in other parts of the world, especially Havana Club and Malibu rums, Beefeater gin, and Glenlivet single malt Scotch. In 2008, the company also agreed to acquire Vin & Sprit, the owner of Absolut vodka, which is globally the fourth largest premium spirit brand by volume. Absolut substantially increases Pernod's presence in the U.S. and provides the company with ownership of a premium vodka, which is one of the fastest growing spirits categories. After the acquisition, Pernod will be the global co-leader in spirits by volume.

Petroleo Brasileiro SA (3.3%) (PBR - \$47.68 - NYSE) is Brazil's largest energy company with a presence in twenty-seven countries. The company is divided into four business areas: Exploration and Production, Downstream, Gas & Energy, and International. Petrobras operates nearly 6,000 service stations, more than 100 production platforms, sixteen refineries, and has average annual oil and natural gas production of 2.4 million barrels of oil equivalent, per day. Petrobras stands to benefit from rising oil demand with proven reserves of 11.1 billion barrels of oil equivalent not including the recent discoveries in the mega-fields of Tupi, Jupiter, Carioca, and Bem-te-vi.

Roche Holdings Ltd. (3.2%) (ROG - \$171.01 - SIX Swiss), based in Switzerland, is a leading healthcare company with a broad spectrum of innovative medical solutions. For more than 110 years, Roche has been active in the discovery, development, manufacturing, and marketing of novel healthcare solutions. Their products and services bring significant benefit to patients from early detection and prevention of diseases to diagnosis, treatment, and treatment monitoring. Roche plays a pioneering role in personalized healthcare and is providing the first products that are tailored to the needs of specific patient groups. It operates in more than 150 countries and is the world's leader in in vitro diagnostics and is the world's leading supplier of prescription drugs for cancer and transplantation. Roche's mission is to create added value in healthcare by focusing on their expertise in Diagnostics and Pharmaceuticals. On March 25, 2009, Roche completed its tender offer for Genentech. By combining the two companies, Roche intends to create unrivaled benefits for its patients, employees and shareholders.

Tsumura (0.8%) (JP:4540 - \$32.33 - Tokyo Stock Exchange) is Japan's leading maker of 'kampo,' traditional Chinese medicines. National Health Insurance policies are increasingly accepting these treatments for reimbursement, in line with the government's desire to pressure the traditional drug makers. Tsumura has begun applying 'evidence based medicine' criteria to more of its compounds, subjecting them to clinical trials. This trend overlaps with growing interest among the public in 'natural' treatments. Long term, the potential for overseas sales is large.

Xstrata plc (4.5%) (XTA - \$17.84 - London Stock Exchange) is a diversified mining group. It focuses on seven international commodity markets: copper, coking coal, thermal coal, ferrochrome, nickel, vanadium, and zinc, with additional exposures to platinum group metals, gold, cobalt, lead, and silver, recycling facilities, and a suite of global technology products. Xstrata's operations and projects span nineteen countries and they employ approximately 62,000 people, including contractors. Its activities are organized into five global commodity businesses: alloys, coal, copper, nickel, and zinc, and a technology services business, which provides technologies and specialist services in the areas of mining, mineral processing, and metals extraction to mining companies worldwide and to Xstrata's own operations.

Yamatake (0.5%) (JP:6845 - \$22.23 - Tokyo Stock Exchange) is the main player in Japan's market for HVAC control systems. Sales depend on domestic demand, as export exposure is minimal. Yamatake's technology and end markets continue to be similar to those of Honeywell. Demand has been strong for retrofitting buildings to reduce energy consumption, as companies look to cut costs in the sluggish economy and as the new government pushes its plan to reduce Japan's greenhouse gas emissions by 25% by the year 2020.

Conclusion

The coming year will likely see a differentiation in economic performance between regions and countries. Those economies that are more leveraged may lag and those that largely avoided the credit crisis should continue to outperform. This leads us to maintain our exposure to products and services that these growing but less developed economies need. Top of the list, in our opinion, are raw materials and energy. We remain overweight in these sectors. The Fund's exposure to the financial sector is low and limited to asset managers and diversified financial companies operating in the Far East. Otherwise, the Fund is well exposed to Industrials, Healthcare, and Consumer Staples companies. Although the Japanese market continues to disappoint, there are a number of globally competitive companies, primarily in the Industrials sector, that we believe are attractive. These companies have cut costs, such as labor expenses, year after year and any pickup in demand, combined with a lower Yen, will drive profitability sharply higher.

Sincerely,



Caesar Bryan
Portfolio Manager

January 29, 2010

Note: The views expressed in this Shareholder Commentary reflect those of the Portfolio Manager only through the end of the period stated in this Shareholder Commentary. The Portfolio Manager's views are subject to change at any time based on market and other conditions. The information in this Portfolio Manager's Shareholder Commentary represents the opinions of the individual Portfolio Manager and is not intended to be a forecast of future events, a guarantee of future results, or investment advice. Views expressed are those of the Portfolio Manager and may differ from those of other portfolio managers or of the Firm as a whole. This Shareholder Commentary does not constitute an offer of any transaction in any securities. Any recommendation contained herein may not be suitable for all investors. Information contained in this Shareholder Commentary has been obtained from sources we believe to be reliable, but cannot be guaranteed.

Minimum Initial Investment – \$1,000

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

www.gabelli.com

Please visit us on the Internet. Our homepage at www.gabelli.com contains information about GAMCO Investors, Inc., the Gabelli/GAMCO Mutual Funds, IRAs, 401(k)s, current and historical quarterly reports, closing prices, and other current news.

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

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

e-delivery

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

Multi-Class Shares

The Fund began offering additional classes of Fund shares in March 2000. Class AAA Shares are no-load shares offered directly by selected broker/dealers. Class A and Class C Shares are targeted to the needs of investors who seek advice through financial consultants. Class I Shares are available solely to certain institutions which invest directly with the Fund. The minimum initial investment amount for Class I Shares is \$500,000. The Board of Directors determined that expanding the types of Fund shares available through various distribution options would enhance the ability of the Fund to attract additional investors.

GAMCO International Growth Fund Average Annual Returns – December 31, 2009 (a)

	<u>Class AAA Shares</u>	<u>Class A Shares</u>	<u>Class B Shares</u>	<u>Class C Shares</u>	<u>Class I Shares</u>
1 Year	38.02%	38.05% 30.11(c)	36.96% 31.96(d)	37.02% 36.02(e)	38.37%
3 Year	(4.57)	(4.46) (6.33)(c)	(5.30) (6.26)(d)	(5.28) (5.28)	(4.40)
5 Year	3.08	3.15 1.93(c)	2.29 1.92(d)	2.35 2.35	3.19
10 Year	0.16	0.33 (0.27)(c)	(0.52) (0.52)	(0.60) (0.60)	0.21
Life of Fund (b)	6.86	6.98 6.55(c)	6.36 6.36	6.30 6.30	6.90
Current Expense Ratio ..	2.01	2.01	2.76	2.76	1.76
Maximum Sales Charge ..	None	5.75	5.00	1.00	None
Ticker SymbolsGIGRX	GAIGX	GBIGX	GCIGX	GIIGX

- (a) **Returns represent past performance and do not guarantee future results.** Total returns and average annual returns reflect changes in share price and reinvestment of distributions and are net of expenses. Investment returns and the principal value of an investment will fluctuate. When shares are redeemed, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Visit www.gabelli.com for performance information as of the most recent month end. **Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectus contains more information about this and other matters and should be read carefully before investing.** Investing in foreign securities involves risks not ordinarily associated with investments in domestic issues, including currency fluctuation, economic, and political risks. The Class AAA Share net asset values (“NAV”) per share are used to calculate performance for the periods prior to the issuance of Class A Shares, Class B Shares, Class C Shares, and Class I Shares on July 25, 2001, January 17, 2001, December 17, 2000, and January 11, 2008, respectively. The actual performance of the Class B Shares and Class C Shares would have been lower due to the additional expenses associated with these classes of shares. The actual performance of the Class I Shares would have been higher due to lower expenses related to this class of shares.
- (b) Performance is calculated from inception of Class AAA Shares on June 30, 1995.
- (c) Includes the effect of the maximum 5.75% sales charge at the beginning of the period.
- (d) Performance results include the deferred sales charges for the Class B Shares upon redemption at the end of the one year, three year, and five year periods of 5%, 3%, and 2%, respectively, of the Fund’s NAV per share at the time of purchase or sale, whichever is lower. Class B Shares are not available for new purchases.
- (e) Performance results include the deferred sales charges for the Class C Shares upon redemption at the end of the one year period of 1% of the Fund’s NAV per share at the time of purchase or sale, whichever is lower.

We have separated the portfolio manager’s commentary from the financial statements and investment portfolio due to corporate governance regulations stipulated by the Sarbanes-Oxley Act of 2002. We have done this to ensure that the content of the portfolio manager’s commentary is unrestricted. The financial statements and investment portfolio are mailed separately from the commentary. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at www.gabelli.com/funds.

GABELLI FAMILY OF FUNDS

VALUE

Gabelli Asset Fund

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

Portfolio Manager: Mario J. Gabelli, CFA

Gabelli Blue Chip Value Fund

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

Portfolio Manager: Barbara Marcin, CFA

GAMCO Westwood Equity Fund

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

Portfolio Manager: Susan M. Byrne

FOCUSED VALUE

Gabelli Value Fund

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

Portfolio Manager: Mario J. Gabelli, CFA

SMALL CAP VALUE

Gabelli Small Cap Fund

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

Portfolio Manager: Mario J. Gabelli, CFA

GAMCO Westwood SmallCap Equity Fund

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

Portfolio Manager: Nicholas F. Galluccio

Gabelli Woodland Small Cap Value Fund

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

Portfolio Manager: Elizabeth M. Lilly, CFA

GROWTH

GAMCO Growth Fund

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

Portfolio Manager: Howard F. Ward, CFA

GAMCO International Growth Fund

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

Portfolio Manager: Caesar Bryan

AGGRESSIVE GROWTH

GAMCO Global Growth Fund

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

Team Managed

MICRO-CAP

GAMCO Westwood Mighty MitesSM Fund

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

Team Managed

EQUITY INCOME

Gabelli Equity Income Fund

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

Portfolio Manager: Mario J. Gabelli, CFA

GAMCO Westwood Balanced Fund

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

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

GAMCO Westwood Income Fund

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

Portfolio Manager: Barbara Marcin, CFA

SPECIALTY EQUITY

GAMCO Global Convertible Securities Fund

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

Team Managed

GAMCO Global Opportunity Fund

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

Team Managed

Gabelli SRI Green Fund

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

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

SECTOR

GAMCO Global Telecommunications Fund

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

Team Managed

GAMCO Gold Fund

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

Portfolio Manager: Caesar Bryan

Gabelli Utilities Fund

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

Team Managed

MERGER AND ARBITRAGE

Gabelli ABC Fund

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

Portfolio Manager: Mario J. Gabelli, CFA

Gabelli Enterprise Mergers and Acquisitions Fund

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

Portfolio Manager: Mario J. Gabelli, CFA

CONTRARIAN

GAMCO Mathers Fund

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

Portfolio Manager: Henry Van der Eb, CFA

Comstock Capital Value Fund

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

Portfolio Manager: Martin Weiner, CFA

FIXED INCOME

GAMCO Westwood Intermediate Bond Fund

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

Portfolio Manager: Mark Freeman, CFA

CASH MANAGEMENT-MONEY MARKET

Gabelli U.S. Treasury Money Market Fund

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

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

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

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

To receive a prospectus, call **800-GABELLI** (422-3554). Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectus contains more information about this and other matters and should be read carefully before investing.

GAMCO International Growth Fund, Inc.

One Corporate Center
Rye, New York 10580-1422

800-GABELLI

800-422-3554

fax: 914-921-5118

website: www.gabelli.com

e-mail: info@gabelli.com

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

GAMCO

Board of Directors

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

Werner J. Roeder, MD
*Medical Director
Lawrence Hospital*

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

Anthonie C. van Ekris
*Chairman
BALMAC International, Inc.*

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

Officers and Portfolio Manager

Caesar Bryan
Portfolio Manager

Bruce N. Alpert
President and Secretary

Peter D. Goldstein
Chief Compliance Officer

Agnes Mullady
Treasurer

Distributor

Gabelli & Company, Inc.

Custodian, Transfer Agent, and Dividend Agent

State Street Bank and Trust Company

Legal Counsel

Paul, Hastings, Janofsky & Walker LLP

**GAMCO
International
Growth
Fund,
Inc.**

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

GAB009Q409SC

**SHAREHOLDER COMMENTARY
DECEMBER 31, 2009**

GAMCO International Growth Fund, Inc.

Annual Report December 31, 2009



Caesar Bryan

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 ("SEC") 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/funds.

Enclosed are the audited financial statements including the investment portfolio as of December 31, 2009 with a description of factors that affected the performance during the past year.

Performance Discussion (Unaudited)

In 2009 the GAMCO International Growth Fund (the "Fund") (Class AAA) net asset value ("NAV") per share rose 38.02% compared with gains of 41.59% for the Lipper International Multi-Cap Growth Fund Average and 32.46% for the Morgan Stanley Capital International ("MSCI") Europe, Australasia, and the Far East ("EAFE") Index.

MSCI data (all returns in dollars) shows 15 of 23 major national indices advanced in the fourth quarter. The U.S. (+5.9%) was one of the better performers during the quarter, which marked a change from the third quarter where strength in most other countries made the U.S. a relative laggard. The best performing country was Norway (+14.9%), followed by Singapore (+9.8%), the United Kingdom (+7.0%), Canada (+5.0%), Australia (+4.9%), Switzerland (+3.8%), the Netherlands (+3.7%), Hong Kong and Sweden (+3.6%), Germany (+2.2%), France (+2.1%), Belgium (+1.6%), Spain (+1.3%), and Portugal (+0.4%). Fourth quarter laggards were led by Greece (-22.4%), followed by Austria (-9.8%), Finland (-3.5%), Denmark and Japan (-2.8%), and Ireland and Italy (-2.7%). New Zealand was unchanged during the quarter. In emerging markets, eighteen of twenty-two countries recorded positive performance in the fourth quarter. Of the four largest emerging markets, Brazil (+12.1%) posted the best quarterly performance, followed by Russia (+10.4%), China (+9.5%), and India (+7.5%).

Xstrata, the Fund's largest holding (4.5% of net assets as of December 31, 2009) contributed to the Fund's positive performance in 2009. Xstrata is a diversified mining group which focuses on seven international commodity markets: copper, coking coal, thermal coal, ferrochrome, nickel, vanadium, and zinc, with additional exposures to platinum group metals, gold, cobalt, lead, and silver, recycling facilities, and a suite of global technology products. Additional selected holdings that contributed to the Fund's positive performance for the year were Rio Tinto (3.7%), Petroleo Brasileiro (3.3%), which is Brazil's largest energy company with a presence in twenty-seven countries, Anglo American (3.1%), and Technip (1.0%). Some of our weaker performing stocks during the year were Imperial Oil Ltd. (1.7%), Square Enix Holdings Co. (1.2%), Harmony Gold Mining Co. (1.0%), and Takeda Pharmaceutical Co. Ltd. (0.7%).

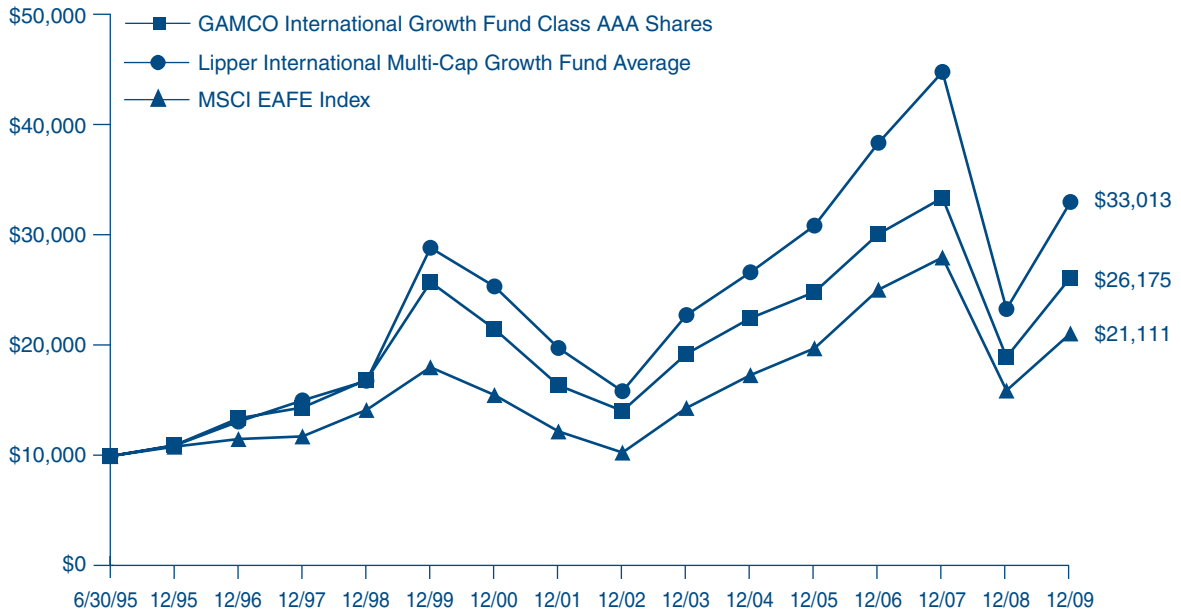
Sincerely yours,



Bruce N. Alpert
President

February 19, 2010

**COMPARISON OF CHANGE IN VALUE OF A \$10,000 INVESTMENT IN THE
GAMCO INTERNATIONAL GROWTH FUND CLASS AAA SHARES,
THE LIPPER INTERNATIONAL MULTI-CAP GROWTH FUND AVERAGE,
AND THE MSCI EAFE INDEX (Unaudited)**



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

Comparative Results

Average Annual Returns through December 31, 2009 (a) (Unaudited)

	Quarter	1 Year	3 Year	5 Year	10 Year	Since Inception (6/30/95)
GAMCO International Growth Fund Class AAA	6.38%	38.02%	(4.57)%	3.08%	0.16%	6.86%
MSCI EAFE Index	2.22	32.46	(5.57)	4.02	1.58	5.29
Lipper International Multi-Cap Growth Fund Average . .	4.11	41.59	(5.60)	4.23	1.37	7.53
Class A	6.36	38.05	(4.46)	3.15	0.33	6.98
Class B	0.24(b)	30.11(b)	(6.33)(b)	1.93(b)	(0.27)(b)	6.55(b)
Class C	6.20	36.96	(5.30)	2.29	(0.52)	6.36
Class I	1.20(c)	31.96(c)	(6.26)(c)	1.92(c)	(0.52)	6.36
Class A	6.24	37.02	(5.28)	2.35	(0.60)	6.30
Class C	5.24(d)	36.02(d)	(5.28)	2.35	(0.60)	6.30
Class I	6.50	38.37	(4.40)	3.19	0.21	6.90

In the current prospectus, the expense ratios for Class AAA, A, B, C, and I Shares are 2.01%, 2.01%, 2.76%, 2.76%, and 1.76%, respectively. See page 10 for the expense ratios for the year ended December 31, 2009. Class AAA and Class I Shares do not have a sales charge. The maximum sales charge for Class A, B, and C Shares is 5.75%, 5.00%, and 1.00%, respectively.

(a) **Returns represent past performance and do not guarantee future results.** Total returns and average annual returns reflect changes in share price and reinvestment of distributions and are net of expenses. Investment returns and the principal value of an investment will fluctuate. When shares are redeemed, they may be worth more or less than their original cost. Performance returns for periods of less than one year are not annualized. Current performance may be lower or higher than the performance data presented. Visit www.gabelli.com for performance information as of the most recent month end. **Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectus contains more information about this and other matters and should be read carefully before investing.**

Investing in foreign securities involves risks not ordinarily associated with investments in domestic issues, including currency fluctuation, economic, and political risks. The Class AAA Shares NAVs per share are used to calculate performance for the periods prior to the issuance of Class A Shares, Class B Shares, Class C Shares, and Class I Shares on July 25, 2001, January 17, 2001, December 17, 2000, and January 11, 2008, respectively. The actual performance of the Class B Shares and Class C Shares would have been lower due to the additional expenses associated with these classes of shares. The actual performance of the Class I Shares would have been higher due to lower expenses related to this class of shares. The Morgan Stanley Capital International ("MSCI") Europe, Australasia, and the Far East ("EAFE") Index is an unmanaged indicator of international stock market performance, while the Lipper International Multi-Cap Growth Fund Average reflects the average performance of mutual funds classified in this particular category. Dividends are considered reinvested. You cannot invest directly in an index.

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

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

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

GAMCO International Growth Fund, Inc.

Disclosure of Fund Expenses (Unaudited)

For the Six Month Period from July 1, 2009 through December 31, 2009

Expense Table

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

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

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

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

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

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs such as sales charges (loads), redemption fees, or exchange fees, if any, which are described in the Prospectus. If these costs were applied to your account, your costs would be higher. Therefore, the 5% hypothetical return is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. The "Annualized Expense Ratio" represents the actual expenses for the last six months and may be different from the expense ratio in the Financial Highlights which is for the year ended December 31, 2009.

	Beginning Account Value 07/01/09	Ending Account Value 12/31/09	Annualized Expense Ratio	Expenses Paid During Period*
GAMCO International Growth Fund, Inc.				
Actual Fund Return				
Class AAA	\$1,000.00	\$1,253.30	2.45%	\$13.91
Class A	\$1,000.00	\$1,252.90	2.45%	\$13.91
Class B	\$1,000.00	\$1,248.20	3.20%	\$18.13
Class C	\$1,000.00	\$1,248.70	3.20%	\$18.14
Class I	\$1,000.00	\$1,254.70	2.20%	\$12.50
Hypothetical 5% Return				
Class AAA	\$1,000.00	\$1,012.85	2.45%	\$12.43
Class A	\$1,000.00	\$1,012.85	2.45%	\$12.43
Class B	\$1,000.00	\$1,009.07	3.20%	\$16.20
Class C	\$1,000.00	\$1,009.07	3.20%	\$16.20
Class I	\$1,000.00	\$1,014.12	2.20%	\$11.17

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

Summary of Portfolio Holdings (Unaudited)

The following table presents portfolio holdings as a percent of total net assets as of December 31, 2009:

GAMCO International Growth Fund, Inc.

Materials	19.3%	Financials	7.9%
Consumer Staples	16.9%	Information Technology	7.4%
Health Care	15.7%	Telecommunication Services	1.2%
Industrials	12.2%	Other Assets and Liabilities (Net)	0.0%
Energy	10.8%		<u>100.0%</u>
Consumer Discretionary	8.6%		

The Fund files a complete schedule of portfolio holdings with 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, 2009. Shareholders may obtain this information at www.gabelli.com or by calling the Fund at 800-GABELLI (800-422-3554). The Fund's Form N-Q is available on the SEC's website at www.sec.gov and may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.

Proxy Voting

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

GAMCO International Growth Fund, Inc.
Schedule of Investments — December 31, 2009

<u>Shares</u>	<u>Cost</u>	<u>Market Value</u>	<u>Shares</u>	<u>Cost</u>	<u>Market Value</u>
COMMON STOCKS — 100.0%			16,000	Experian plc \$ 99,757	\$ 158,043
MATERIALS — 19.3%			6,400	Fanuc Ltd. 650,281	596,493
20,930	Anglo American plc† \$ 825,999	\$ 906,425	20,000	Jardine Matheson Holdings Ltd. 494,307	600,854
10,000	BHP Billiton Ltd. 421,111	382,666	15,000	Mitsui & Co. Ltd. 346,589	212,792
20,000	CRH plc, Dublin 205,185	543,788	6,000	Secom Co. Ltd. 236,672	284,986
30,000	Harmony Gold Mining Co. Ltd. 220,492	304,541	700,000	Sinotrans Ltd., Cl. H 179,270	182,651
10,000	Impala Platinum Holdings Ltd. 385,797	273,342	3,000	SMC Corp. 382,180	342,546
5,000	Newcrest Mining Ltd. 150,708	158,373	12,000	The Capita Group plc 143,228	145,098
19,825	Rio Tinto plc 711,924	1,070,484	20,000	Toll Holdings Ltd. 187,146	156,179
1,500	Syngenta AG 439,664	423,612	TOTAL INDUSTRIALS 3,733,398		
50,000	Tokai Carbon Co. Ltd. 227,398	248,931	ENERGY — 10.8%		
73,500	Xstrata plc† 721,466	1,310,949	15,000	BG Group plc 277,152	270,844
TOTAL MATERIALS 4,309,744			10,000	Galp Energia SGPS SA, Cl. B 267,143	172,727
CONSUMER STAPLES — 16.9%			13,000	Imperial Oil Ltd. 487,036	505,407
20,728	British American Tobacco plc 558,962	674,798	20,000	Petroleo Brasileiro SA, ADR 229,945	953,600
35,200	Cadbury plc 402,382	452,587	22,000	Saipem SpA 428,131	759,229
13,000	Coca-Cola Hellenic Bottling Co. SA 115,887	295,924	4,000	Technip SA 150,396	281,426
40,000	Diageo plc 356,651	697,844	10,000	Tullow Oil plc 114,988	209,804
6,600	Dr. Pepper Snapple Group Inc. 164,353	186,780	TOTAL ENERGY 1,954,791		
5,000	Heineken NV 199,278	237,367	CONSUMER DISCRETIONARY — 8.6%		
100	Japan Tobacco Inc. 577,985	337,649	6,500	Christian Dior SA 392,774	666,118
10,000	Nestlé SA 443,695	485,336	21,000	Compagnie Financiere Richemont SA, Cl. A 283,136	706,164
7,558	Pernod-Ricard SA 238,564	646,282	7,000	Hennes & Mauritz AB, Cl. B 287,212	388,057
50,000	Tesco plc 436,369	344,939	4,000	Naspers Ltd., Cl. N 156,019	161,881
22,000	Woolworths Ltd. 308,968	551,777	12,000	The Swatch Group AG 673,641	571,197
TOTAL CONSUMER STAPLES 3,803,094			TOTAL CONSUMER DISCRETIONARY 1,792,782		
HEALTH CARE — 15.7%			FINANCIALS — 7.9%		
6,126	AstraZeneca plc 247,157	287,922	1,000	Allianz SE 140,889	123,960
5,000	Bayer AG 210,352	400,117	70,000	AXA Asia Pacific Holdings Ltd. 418,637	409,285
4,500	Cochlear Ltd. 221,016	277,892	40,000	Cheung Kong (Holdings) Ltd. 466,028	514,007
18,140	GlaxoSmithKline plc 519,706	384,674	40,000	Hongkong Land Holdings Ltd. 156,910	197,004
12,000	Novartis AG 472,097	655,311	12,000	Schroders plc 318,908	256,457
5,500	Roche Holding AG 547,294	940,571	12,000	Standard Chartered plc 249,905	302,950
4,000	Sanofi-Aventis 275,633	314,571	40,000	Swire Pacific Ltd., Cl. A 458,982	483,735
30,000	Smith & Nephew plc 277,989	308,591	TOTAL FINANCIALS 2,210,259		
2,500	Synthes Inc. 170,882	326,985	INFORMATION TECHNOLOGY — 7.4%		
5,000	Takeda Pharmaceutical Co. Ltd. 213,177	206,006	18,000	Canon Inc. 700,674	765,693
7,000	TSUMURA & Co. 212,901	226,300	3,400	Keyence Corp. 585,452	705,648
3,000	William Demant Holding A/S† 136,249	225,484	17,000	Square Enix Holdings Co. Ltd. 457,695	358,644
TOTAL HEALTH CARE 3,504,453			600	Yahoo! Japan Corp. 226,444	180,401
INDUSTRIALS — 12.2%			6,000	Yamatake Corp. 118,852	133,371
2,000	Bouygues SA 77,064	103,596	TOTAL INFORMATION TECHNOLOGY 2,089,117		
80,000	China Merchants Holdings (International) Co. Ltd. 273,035	258,075	TOTAL INFORMATION TECHNOLOGY 2,143,757		
12,000	CNH Global NV† 467,453	299,760			
25,000	Downer EDI Ltd. 196,416	208,202			

See accompanying notes to financial statements.

GAMCO International Growth Fund, Inc.
Schedule of Investments (Continued) — December 31, 2009

<u>Shares</u>	<u>Cost</u>	<u>Market Value</u>	<u>Geographic Diversification</u>	<u>% of Market Value</u>	<u>Market Value</u>
COMMON STOCKS (Continued)					
TELECOMMUNICATION SERVICES — 1.2%					
8,500			Europe	59.1%	\$17,176,621
			Japan	15.8	4,599,458
			Asia/Pacific	12.3	3,582,841
			Latin America	6.0	1,751,458
			North America	3.5	1,019,172
			South Africa	2.6	739,765
			Africa/Middle East	0.7	193,250
10,000	SAE, GDR	\$ 596,452			
	Tele2 AB, Cl. B	166,941			
	TOTAL TELECOMMUNICATION SERVICES	763,393			
	TOTAL COMMON STOCKS ...	24,161,031		100.0%	\$29,062,565
	TOTAL INVESTMENTS — 100.0% ..	\$24,161,031			
	Other Assets and Liabilities (Net) — 0.0%				(4,884)
	NET ASSETS — 100.0%				\$29,057,681

† Non-income producing security.
ADR American Depositary Receipt
GDR Global Depositary Receipt

See accompanying notes to financial statements.

GAMCO International Growth Fund, Inc.

Statement of Assets and Liabilities December 31, 2009

Assets:

Investments, at value (cost \$24,161,031)	\$29,062,565
Cash	252,721
Receivable for investments sold	139,483
Receivable for Fund shares sold	15,825
Dividends receivable	43,258
Prepaid expenses	23,804
Total Assets	<u>\$29,537,656</u>

Liabilities:

Payable for investments purchased	196,416
Payable for Fund shares redeemed	153,869
Payable for investment advisory fees	24,557
Payable for distribution fees	5,914
Payable for legal and audit fees	49,013
Payable for shareholder communications expenses	23,722
Other accrued expenses	26,484
Total Liabilities	<u>479,975</u>

Net Assets applicable to 1,498,375 shares outstanding \$29,057,681

Net Assets consist of:

Paid-in capital	\$24,315,116
Accumulated distributions in excess of net investment income	(120,197)
Accumulated net realized loss on investments and foreign currency transactions	(40,374)
Net unrealized appreciation on investments	4,901,534
Net unrealized appreciation on foreign currency translations	1,602
Net Assets	<u>\$29,057,681</u>

Shares of Capital Stock:
Class AAA:

Net Asset Value, offering, and redemption price per share (\$27,628,269 ÷ 1,424,751 shares outstanding, at \$0.001 par value; 375,000,000 shares authorized) \$19.39

Class A:

Net Asset Value and redemption price per share (\$241,159 ÷ 12,252 shares outstanding, at \$0.001 par value; 250,000,000 shares authorized) \$19.68

Maximum offering price per share (NAV ÷ 0.9425, based on maximum sales charge of 5.75% of the offering price) \$20.88

Class B:

Net Asset Value and offering price per share (\$6,049 ÷ 318.2 shares outstanding, at \$0.001 par value; 125,000,000 shares authorized) \$19.01 (a)

Class C:

Net Asset Value and offering price per share (\$15,723 ÷ 839.3 shares outstanding, at \$0.001 par value; 125,000,000 shares authorized) \$18.73 (a)

Class I:

Net Asset Value, offering, and redemption price per share (\$1,166,481 ÷ 60,215 shares outstanding, at \$0.001 par value; 125,000,000 shares authorized) \$19.37

Statement of Operations For the Year Ended December 31, 2009

Investment Income:

Dividends (net of foreign taxes of \$16,649)	\$ 663,634
Interest	61
Total Investment Income	<u>663,695</u>

Expenses:

Investment advisory fees	254,532
Distribution fees – Class AAA	60,360
Distribution fees – Class A	460
Distribution fees – Class B	54
Distribution fees – Class C	222
Legal and audit fees	60,683
Custodian fees	58,364
Shareholder communications expenses	50,418
Registration expenses	33,595
Shareholder services fees	31,761
Directors' fees	13,000
Interest expense	1,941
Miscellaneous expenses	51,867
Total Expenses	<u>617,257</u>

Net Investment Income 46,438

Net Realized and Unrealized Gain/(Loss) on Investments and Foreign Currency:

Net realized loss on investments	(22,637)
Net realized gain on foreign currency transactions	12,899
Net realized loss on investments and foreign currency transactions	<u>(9,738)</u>
Net change in unrealized appreciation: on investments	7,943,207
on foreign currency translations	2,541
Net change in unrealized appreciation on investments and foreign currency translations	<u>7,945,748</u>

Net Realized and Unrealized Gain/(Loss) on Investments and Foreign Currency 7,936,010

Net Increase in Net Assets Resulting from Operations \$7,982,448

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

See accompanying notes to financial statements.

GAMCO International Growth Fund, Inc.

Statement of Changes in Net Assets

	<u>Year Ended</u> <u>December 31, 2009</u>	<u>Year Ended</u> <u>December 31, 2008</u>
Operations:		
Net investment income	\$ 46,438	\$ 610,820
Net realized gain/(loss) on investments and foreign currency transactions	(9,738)	641,153
Net change in unrealized appreciation/depreciation on investments and foreign currency translations	<u>7,945,748</u>	<u>(23,912,344)</u>
Net Increase/(Decrease) in Net Assets Resulting from Operations	<u>7,982,448</u>	<u>(22,660,371)</u>
Distributions to Shareholders:		
Net investment income		
Class AAA	(126,842)	(548,187)
Class A	(1,137)	(2,636)
Class B	—	(78)
Class C	—	(58)
Class I	<u>(7,499)</u>	<u>(25,524)</u>
	<u>(135,478)</u>	<u>(576,483)</u>
Net realized gain		
Class AAA	—	(704,527)
Class A	—	(4,255)
Class B	—	(188)
Class C	—	(708)
Class I	<u>—</u>	<u>(27,608)</u>
	<u>—</u>	<u>(737,286)</u>
Return of capital		
Class AAA	(13,510)	(18,811)
Class A	(121)	(114)
Class B	—	(5)
Class C	—	(19)
Class I	<u>(799)</u>	<u>(737)</u>
	<u>(14,430)</u>	<u>(19,686)</u>
Total Distributions to Shareholders	<u>(149,908)</u>	<u>(1,333,455)</u>
Capital Share Transactions:		
Class AAA	(5,116,876)	(8,288,279)
Class A	25,791	(140,758)
Class B	(1,877)	154
Class C	(15,198)	(56,593)
Class I	<u>(214,314)</u>	<u>1,752,965</u>
Net Decrease in Net Assets from Capital Share Transactions	<u>(5,322,474)</u>	<u>(6,732,511)</u>
Redemption Fees	<u>321</u>	<u>1,770</u>
Net Increase/(Decrease) in Net Assets	<u>2,510,387</u>	<u>(30,724,567)</u>
Net Assets:		
Beginning of period	<u>26,547,294</u>	<u>57,271,861</u>
End of period (including undistributed net investment income of \$0 and \$0, respectively)	<u>\$29,057,681</u>	<u>\$ 26,547,294</u>

See accompanying notes to financial statements.

GAMCO International Growth Fund, Inc.

Financial Highlights

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

Period Ended December 31	Income from Investment Operations					Distributions			Ratios to Average Net Assets/ Supplemental Data						
	Net Investment Income (Loss)(a)	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Net Investment Income	Net Realized Gain on Investments	Return on Capital	Total Distributions	Redemption Fees(a)(b)	Net Asset Value, End of Period	Total Return†	Net Assets End of Period (in 000's)	Net Investment Income (Loss)	Operating Expenses	Operating Expense Ratio (Net of Interest Expense)	Portfolio Turnover Rate††
Class AAA															
2009	\$ 0.03	\$ 5.34	\$ 5.37	\$(0.09)	—	\$(0.01)	\$(0.10)	\$0.00	\$19.39	38.0%	\$27,628	0.17%	2.44%	2.43%	13%
2008	0.30	(11.63)	(11.33)	(0.32)	\$(0.41)	(0.01)	(0.74)	0.00	14.12	(43.2)	25,355	1.41	2.01	2.00	9
2007	0.33	2.34	2.67	(0.35)	(0.70)	—	(1.05)	0.00	26.19	10.9	56,678	1.26	1.91	1.87	18
2006	0.38	3.99	4.37	(0.43)	—	—	(0.43)	0.00	24.57	21.2	64,573	1.70	1.79	1.78	18
2005	0.09	1.88	1.97	(0.09)	—	—	(0.09)	0.00	20.63	10.5	59,554	0.48	1.89	1.88	19
Class A															
2009	\$0.02	\$ 5.43	\$ 5.45	\$(0.09)	—	\$(0.01)	\$(0.10)	\$0.00	\$19.68	38.1%	\$ 241	0.10%	2.44%	2.43%	13%
2008	0.30	(11.70)	(11.40)	(0.30)	\$(0.41)	(0.01)	(0.72)	0.00	14.33	(43.0)	153	1.37	2.01	2.00	9
2007	0.36	2.33	2.69	(0.36)	(0.70)	—	(1.06)	0.00	26.45	10.9	473	1.34	1.91	1.87	18
2006	0.36	4.05	4.41	(0.43)	—	—	(0.43)	0.00	24.82	21.1	394	1.60	1.79	1.78	18
2005	0.11	1.88	1.99	(0.07)	—	—	(0.07)	0.00	20.84	10.5	253	0.56	1.89	1.88	19
Class B															
2009	\$(0.08)	\$ 5.21	\$ 5.13	—	—	—	—	\$0.00	\$19.01	37.0%	\$ 6	(0.54)%	3.19%	3.18%	13%
2008	0.15	(11.38)	(11.23)	\$(0.17)	\$(0.41)	\$(0.01)	\$(0.59)	0.00	13.88	(43.7)	7	0.73	2.76	2.75	9
2007	0.13	2.27	2.40	0.00(b)	(0.70)	—	(0.70)	0.00	25.70	10.0	12	0.51	2.66	2.62	18
2006	0.20	3.89	4.09	(0.27)	—	—	(0.27)	0.00	24.00	20.2	59	0.91	2.54	2.53	18
2005	(0.06)	1.84	1.78	—	—	—	—	0.00	20.18	9.7	49	(0.31)	2.63	2.62	19
Class C															
2009	\$(0.08)	\$ 5.14	\$ 5.06	—	—	—	—	\$0.00	\$18.73	37.0%	\$ 16	(0.50)%	3.19%	3.18%	13%
2008	0.05	(11.01)	(10.96)	\$(0.03)	\$(0.41)	\$(0.01)	\$(0.45)	0.00	13.67	(43.7)	24	0.22	2.76	2.75	9
2007	0.27	2.10	2.37	(0.26)	(0.70)	—	(0.96)	0.00	25.08	10.1	109	1.05	2.66	2.62	18
2006	0.00(b)	4.06	4.06	(0.39)	—	—	(0.39)	0.00	23.67	20.2	52	(0.01)	2.54	2.53	18
2005	(0.18)	1.98	1.80	(0.04)	—	—	(0.04)	0.00	20.00	9.9	15	(0.95)	2.62	2.61	19
Class I															
2009	\$0.07	\$ 5.34	\$ 5.41	\$(0.13)	—	\$(0.01)	\$(0.14)	\$0.00	\$19.37	38.4%	\$ 1,167	0.46%	2.19%	2.18%	13%
2008(c)	0.41	(10.47)	(10.06)	(0.38)	\$(0.41)	(0.01)	(0.80)	0.00	14.10	(40.2)	1,008	2.01(d)	1.76(d)	1.75(d)	9

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

†† 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 as shown.

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

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

(c) From the commencement of offering Class I Shares on January 11, 2008 through December 31, 2008.

(d) Annualized.

See accompanying notes to financial statements.

GAMCO International Growth Fund, Inc.

Notes to Financial Statements

1. Organization. GAMCO International Growth Fund, Inc. (the “Fund”) was organized on May 25, 1994 as a Maryland corporation. The Fund is a diversified open-end management investment company registered under the Investment Company Act of 1940, as amended (the “1940 Act”). The Fund’s primary objective is long-term capital appreciation. The Fund commenced investment operations on June 30, 1995.

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

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

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

Securities and assets for which market quotations are not readily available are fair valued as determined by the Board. Fair valuation methodologies and procedures may include, but are not limited to: analysis and review of available financial and non-financial information about the company; comparisons with the valuation and changes in valuation of similar securities, including a comparison of foreign securities with the equivalent U.S. dollar value 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.

GAMCO International Growth Fund, Inc.

Notes to Financial Statements (Continued)

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

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

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of the Fund's investments by inputs used to value the Fund's investments as of December 31, 2009 is as follows:

	Valuation Inputs		Total Market Value at 12/31/09
	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	
INVESTMENTS IN SECURITIES:			
ASSETS (Market Value):			
Common Stocks:			
Consumer Staples	\$ 764,188	\$ 4,147,095	\$ 4,911,283
Health Care	326,985	4,227,439	4,554,424
Industrials	299,760	3,249,515	3,549,275
Energy	1,459,007	1,694,030	3,153,037
Other Industrials (a)	—	12,894,546	12,894,546
Total Common Stocks	2,849,940	26,212,625	29,062,565
TOTAL INVESTMENTS IN SECURITIES	\$2,849,940	\$26,212,625	\$29,062,565

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

There were no Level 3 investments held at December 31, 2009 or December 31, 2008.

Derivative Financial Instruments.

The Fund may engage in various portfolio investment strategies by investing in a number of derivative financial instruments for the purpose 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.

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

GAMCO International Growth Fund, Inc.

Notes to Financial Statements (Continued)

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. During the year ended December 31, 2009, the Fund had no investments in forward foreign exchange contracts.

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, is 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, 2009, there were no open repurchase agreements.

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.

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

GAMCO International Growth Fund, Inc.

Notes to Financial Statements (Continued)

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.

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

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

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

Distributions to Shareholders. Distributions to shareholders are recorded on the ex-dividend date. Distributions to shareholders are based on income and capital gains as determined in accordance with federal income tax regulations, which may differ from income and capital gains as determined under U.S. generally accepted accounting principles. These differences are primarily due to differing treatments of income and gains on various investment securities and foreign currency transactions held by the Fund, timing differences, and differing characterizations of distributions made by the Fund. Distributions from net investment income for federal income tax purposes include net realized gains on foreign currency transactions. These book/tax differences are either temporary or permanent in nature. To the extent these differences are permanent, adjustments are made to the appropriate capital accounts in the period when the differences arise. Permanent differences were primarily due to recharacterization of distributions and reclassifications of capital gains on passive foreign investment companies. These reclassifications have no impact on the NAV of the Fund. For the year ended December 31, 2009, reclassifications were made to decrease accumulated distributions in excess of net investment income by \$30,482 and to increase accumulated net realized loss on investments and foreign currency transactions by \$30,482.

GAMCO International Growth Fund, Inc. Notes to Financial Statements (Continued)

The tax character of distributions paid during the years ended December 31, 2009 and December 31, 2008 was as follows:

	<u>Year Ended December 31, 2009</u>	<u>Year Ended December 31, 2008</u>
Distributions paid from:		
Ordinary income	\$135,478	\$ 653,920
Net long-term capital gains	—	659,849
Return of capital	<u>14,430</u>	<u>19,686</u>
Total distributions paid	<u>\$149,908</u>	<u>\$1,333,455</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.

At December 31, 2009, the components of accumulated earnings/losses on a tax basis were as follows:

Accumulated capital loss carryforwards	\$ (40,219)
Net unrealized appreciation on investments	4,781,182
Net unrealized appreciation on foreign currency translations	<u>1,602</u>
Total	<u>\$4,742,565</u>

At December 31, 2009, the Fund had net capital loss carryforwards for federal income tax purposes of \$40,219, which are available to reduce future required distributions of net capital gains to shareholders through 2017.

At December 31, 2009, 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 adjustments on passive foreign investment companies.

The following summarizes the tax cost of investments and the related unrealized appreciation/depreciation at December 31, 2009:

	<u>Cost</u>	<u>Gross Unrealized Appreciation</u>	<u>Gross Unrealized Depreciation</u>	<u>Net Unrealized Appreciation</u>
Investments	\$24,281,383	\$6,854,614	\$(2,073,432)	\$4,781,182

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

GAMCO International Growth Fund, Inc.

Notes to Financial Statements (Continued)

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

If total net assets of the Fund are below \$100 million, the Fund pays each Director who is not considered to be an affiliated person an annual retainer of \$1,000 plus \$250 for each Board meeting attended and each Director is reimbursed by the Fund for any out of pocket expenses incurred in attending meetings. If total net assets of the Fund are in excess of \$100 million, the Fund pays each Independent Director an annual retainer of \$3,000 plus \$500 for each Board meeting attended and each Director is reimbursed by the Fund for any out of pocket expenses incurred in attending meetings. All Board committee members receive \$500 per meeting attended and the Chairman of the Audit Committee and the Lead Director each receive an annual fee of \$1,000. A Director may receive a single meeting fee, allocated among the participating funds, for participation in certain meetings held on behalf of multiple funds. Directors who are directors or employees of the Adviser or an affiliated company receive no compensation or expense reimbursement from the Fund.

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

5. Portfolio Securities. Purchases and sales of securities for the year ended December 31, 2009, other than short-term securities and U.S. Government obligations, aggregated \$3,317,661 and \$8,091,089, respectively.

6. Transactions with Affiliates. During the year ended December 31, 2009, the Fund paid brokerage commissions on security trades of \$240 to Gabelli & Company. Additionally, Gabelli & Company informed the Fund that it retained \$110 from investors representing commissions (sales charges and underwriting fees) on sales and redemptions of Fund shares.

GAMCO International Growth Fund, Inc.

Notes to Financial Statements (Continued)

7. Line of Credit. The Fund participates in an unsecured line of credit of up to \$75,000,000 under which it may borrow up to 10% of its net assets from the custodian for temporary borrowing purposes. Borrowings under this arrangement bear interest at the higher of the sum of the overnight LIBOR plus 100 basis points or the sum of the federal funds rate plus 100 basis points at the time of borrowing. This amount, if any, would be included in “interest expense” in the Statement of Operations. At December 31, 2009, there were no borrowings outstanding under the line of credit.

The average daily amount of borrowings outstanding under the line of credit during the year ended December 31, 2009 was \$92,770 with a weighted average interest rate of 1.14%. The maximum amount borrowed at any time during the year ended December 31, 2009 was \$1,447,000.

8. Capital Stock. The Fund offers five classes of shares – Class AAA Shares, Class A Shares, Class B Shares, Class C Shares, and Class I Shares. Class AAA Shares are offered without a sales charge only to investors who acquire them directly from Gabelli & Company, through selected broker/dealers, or the transfer agent. Class I Shares are offered to foundations, endowments, institutions, and employee benefit plans without a sales charge. Class A Shares are subject to a maximum front-end sales charge of 5.75%. Class B Shares are subject to a contingent deferred sales charge (“CDSC”) upon redemption within six years of purchase and automatically convert to Class A Shares approximately eight years after the original purchase. The applicable CDSC is equal to a declining percentage of the lesser of the NAV per share at the date of the original purchase or at the date of redemption, based on the length of time held. Class C Shares are subject to a 1.00% CDSC for one year after purchase. Class B Shares are available only through exchange of Class B Shares of other funds distributed by Gabelli & Company. Class I Shares were first issued on January 11, 2008.

The Fund imposes a redemption fee of 2.00% on all classes of shares that are redeemed or exchanged on or before the seventh day after the date of a purchase. The redemption fee is deducted from the proceeds otherwise payable to the redeeming shareholders and is retained by the Fund. The redemption fees retained by the Fund during the years ended December 31, 2009 and December 31, 2008 amounted to \$321 and \$1,770, respectively.

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

GAMCO International Growth Fund, Inc.
Notes to Financial Statements (Continued)

Transactions in shares of capital stock were as follows:

	Year Ended December 31, 2009		Year Ended December 31, 2008*	
	Shares	Amount	Shares	Amount
Class AAA				
Shares sold	112,348	\$ 1,781,231	124,387	\$ 2,724,485
Shares issued upon reinvestment of distributions	6,653	129,401	81,926	1,133,114
Shares redeemed	(489,863)	(7,027,508)	(574,682)	(12,145,878)
Net decrease	<u>(370,862)</u>	<u>\$(5,116,876)</u>	<u>(368,369)</u>	<u>\$ (8,288,279)</u>
Class A				
Shares sold	2,505	\$ 42,916	5,398	\$ 131,551
Shares issued upon reinvestment of distributions	37	734	292	3,866
Shares redeemed	(984)	(17,859)	(12,871)	(276,175)
Net increase/(decrease)	<u>1,558</u>	<u>\$ 25,791</u>	<u>(7,181)</u>	<u>\$ (140,758)</u>
Class B				
Shares issued upon reinvestment of distributions	—	—	11	\$ 154
Shares redeemed	(153)	\$ (1,877)	—	—
Net increase/(decrease)	<u>(153)</u>	<u>\$ (1,877)</u>	<u>11</u>	<u>\$ 154</u>
Class C				
Shares sold	118	\$ 1,972	32	\$ 627
Shares issued upon reinvestment of distributions	—	—	18	241
Shares redeemed	(1,060)	(17,170)	(2,636)	(57,461)
Net decrease	<u>(942)</u>	<u>\$ (15,198)</u>	<u>(2,586)</u>	<u>\$ (56,593)</u>
Class I				
Shares sold	14,400	\$ 216,896	73,714	\$ 1,816,910
Shares issued upon reinvestment of distributions	427	8,298	3,901	53,869
Shares redeemed	(26,088)	(439,508)	(6,139)	(117,814)
Net increase/(decrease)	<u>(11,261)</u>	<u>\$ (214,314)</u>	<u>71,476</u>	<u>\$ 1,752,965</u>

* From the commencement of offering Class I Shares on January 11, 2008.

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

GAMCO International Growth Fund, Inc.

Notes to Financial Statements (Continued)

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

11. Subsequent Events. Management has evaluated the impact on the Fund of events occurring subsequent to December 31, 2009 through February 25, 2010, the date the financial statements were issued, and has determined that there were no subsequent events requiring recognition or disclosure in the financial statements.

GAMCO International Growth Fund, Inc.

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of
GAMCO International Growth Fund, Inc.

We have audited the accompanying statement of assets and liabilities of GAMCO International Growth Fund, Inc. (the "Fund"), including the schedule of investments, as of December 31, 2009, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. We were not engaged to perform an audit of the Fund's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and financial highlights, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of December 31, 2009, by correspondence with the Fund's custodian and brokers or by other appropriate auditing procedures where replies from brokers were not received. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of GAMCO International Growth Fund, Inc. at December 31, 2009, 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 five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Ernst & Young LLP

Philadelphia, Pennsylvania
February 25, 2010

GAMCO International Growth Fund, Inc. Additional Fund Information (Unaudited)

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

Name, Position(s) Address¹ and Age	Term of Office and Length of Time Served²	Number of Funds in Fund Complex Overseen by Director	Principal Occupation(s) During Past Five Years	Other Directorships Held by Director⁴
<u>INTERESTED DIRECTORS³:</u>				
Mario J. Gabelli Director Age: 67	Since 1994	26	Chairman and Chief Executive Officer of GAMCO Investors, Inc. and Chief Investment Officer – Value Portfolios of Gabelli Funds, LLC and GAMCO Asset Management Inc.; Director/Trustee or Chief Investment Officer of other registered investment companies in the Gabelli/GAMCO Funds complex; Chairman and Chief Executive Officer of GGCP, Inc.	Director of Morgan Group Holdings, Inc. (holding company); Chairman of the Board of LICT Corp. (multimedia and communication services company); Director of CIBL, Inc. (broadcasting and wireless communications)
<u>INDEPENDENT DIRECTORS⁵:</u>				
Anthony J. Colavita Director Age: 74	Since 1994	34	President of the law firm of Anthony J. Colavita, P.C.	—
Werner J. Roeder, MD Director Age: 69	Since 1994	22	Medical Director of Lawrence Hospital and practicing private physician	—
Anthonie C. van Ekris Director Age: 75	Since 1994	20	Chairman of BALMAC International, Inc. (commodities and futures trading)	—
Salvatore J. Zizza Director Age: 64	Since 2004	28	Chairman of Zizza & Co., Ltd. (consulting)	Director of Hollis-Eden Pharmaceuticals (biotechnology); Director of Trans-Lux Corporation (business services)

GAMCO International Growth Fund, Inc. Additional Fund Information (Continued) (Unaudited)

<u>Name, Position(s) Address¹ and Age</u>	<u>Term of Office and Length of Time Served²</u>	<u>Principal Occupation(s) During Past Five Years</u>
OFFICERS:		
Bruce N. Alpert President and Secretary Age: 58	Since 1994	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. 1998 through 2008; Chairman of Teton Advisors, Inc. since 2008; Senior Vice President of GAMCO Investors, Inc. since 2008
Agnes Mullady Treasurer Age: 51	Since 2006	Senior Vice President of GAMCO Investors, Inc. since 2009; Vice President of Gabelli Funds, LLC since 2007; Officer of all of the registered investment companies in the Gabelli/GAMCO Funds complex; Senior Vice President of U.S. Trust Company, N.A. and Treasurer and Chief Financial Officer of Excelsior Funds from 2004 through 2005
Peter D. Goldstein Chief Compliance Officer Age: 56	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

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

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

³ "Interested person" of the Fund as defined in the 1940 Act. Mr. Gabelli is considered an "interested person" because of his affiliation with Gabelli Funds, LLC which acts as the Fund's investment adviser.

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

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

GAMCO International Growth Fund, Inc.
Additional Fund Information (Continued) (Unaudited)

2009 TAX NOTICE TO SHAREHOLDERS (Unaudited)

For the year ended December 31, 2009, the Fund paid to shareholders ordinary income distributions (comprised of net investment income) totaling \$0.103, \$0.108, and \$0.145 per share for Class AAA, Class A, and Class I, respectively. For the year ended December 31, 2009, 3.12% of the ordinary income distribution qualifies for the dividends received deduction available to corporations. The Fund designates 100% of the ordinary income distribution as qualified dividend income pursuant to the Jobs and Growth Tax Relief Reconciliation Act of 2003. Also for the year 2009, the Fund passed through foreign tax credits of \$0.014 per share to Class AAA, Class A, and Class I.

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.

GAMCO International Growth Fund, Inc.

One Corporate Center
Rye, New York 10580-1422

800-GABELLI

800-422-3554

fax: 914-921-5118

website: www.gabelli.com

e-mail: info@gabelli.com

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

GAMCO

Board of Directors

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

Werner J. Roeder, MD
*Medical Director
Lawrence Hospital*

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

Anthonie C. van Ekris
*Chairman
BALMAC International, Inc.*

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

Officers and Portfolio Manager

Caesar Bryan
Portfolio Manager

Bruce N. Alpert
President and Secretary

Peter D. Goldstein
Chief Compliance Officer

Agnes Mullady
Treasurer

Distributor

Gabelli & Company, Inc.

Custodian, Transfer Agent, and Dividend Agent

State Street Bank and Trust Company

Legal Counsel

Paul, Hastings, Janofsky & Walker LLP

GAMCO International Growth Fund, Inc.

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

GAB009Q409SR

**ANNUAL REPORT
DECEMBER 31, 2009**