

**ATTENTION: IMPORTANT TAX INFORMATION!**  
**2004 DISTRIBUTION BREAKDOWN**  
**6.00% Cumulative Preferred Shares**

To All Shareholders:

Set forth below is the allocation of net investment income, short-term capital gains and long-term capital gains for the 2004 distributions of the 6.00% Cumulative Preferred Shares of **The Gabelli Convertible & Income Securities Fund Inc.**

If there are any questions, please contact Laurissa Martire at (914) 921-5070.

**\$ PER SHARE**

	1ST QTR	2ND QTR	3RD QTR	4TH QTR	TOTAL
Record Date	03/19/04	06/21/04	09/20/04	12/17/04	
Payment Date	03/26/04	06/28/04	09/27/04	12/27/04	
<b>SOURCE</b>					
Net Investment Income (a)	\$0.3750	\$0.3750	\$0.3750	\$0.3750	\$1.5000
Short-Term Capital Gains (a)	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
Long-Term Capital Gains (b)	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
<b>TOTAL</b>	<b>\$0.3750</b>	<b>\$0.3750</b>	<b>\$0.3750</b>	<b>\$0.3750</b>	<b>\$1.5000</b>

**PERCENTAGES**

	1ST QTR	2ND QTR	3RD QTR	4TH QTR	TOTAL
<b>SOURCE</b>					
Net Investment Income (a)	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%
Short-Term Capital Gains (a)	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
Long-Term Capital Gains (b)	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
<b>TOTAL</b>	<b>100.0000%</b>	<b>100.0000%</b>	<b>100.0000%</b>	<b>100.0000%</b>	<b>100.0000%</b>

Ordinary Dividends and Capital Gains:

55.14% of the ordinary income (net investment income and short-term capital gains) paid by the Gabelli Convertible & Income Securities Fund in 2004 was classified as "Qualified Dividends" subject to a maximum Federal tax rate of 15% for individual taxable accounts (or 5% depending on an individual's tax bracket). Ordinary income is reported in box 1a and qualified income is reported in box 1b of Form 1099-DIV. Capital gain distributions are subject to a maximum Federal tax rate of 15% for individual taxable accounts (or 5% depending on an individual's tax bracket). Capital gain distributions are reported in box 2a of Form 1099-DIV.

Corporate Dividends Received Deduction and U.S. Government Securities Income:

The percentage of the ordinary income paid by the Gabelli Convertible & Income Securities Fund in 2004 that qualifies for the dividends received deduction available to corporations is 23.92%. The percentage of the ordinary income paid by the Gabelli Convertible & Income Securities Fund in 2004 that was derived from U.S. Government Securities was 9.29%. The percentage of U.S. Government Securities held as of December 31, 2004 was 33.23%. (c)

- (a) Distributions from net investment income and short-term capital gains are taxable as ordinary income and will appear on your Form 1099-DIV under Ordinary Dividends in box 1a.
- (b) Taxable as long-term capital gains reportable in column (f), line 13 on Form 1040, Schedule D. Since there were no retained capital gains in 2004, Form 2439 will not be necessary.
- (c) Certain states require that 50% of the Fund's portfolio be invested in U.S. Government Securities at the end of each calendar quarter to allow "pass-through" treatment of income derived from U.S. Government Securities. The Fund did not meet this strict requirement in 2004.