

GABELLI ABC FUND

*Merger Arbitrage Based Portfolio
Focused on Absolute Returns*

Quarter End – March 31, 2017



STRATEGY OVERVIEW

- The Gabelli ABC Fund's investment objective is to achieve total returns that are attractive to investors in various market conditions without excessive risk of capital loss.
- The Adviser focuses the Fund on arbitrage strategies – investing in event driven situations such as announced mergers, spin-offs, split-ups, liquidations and reorganizations – and may hold a significant portion of its assets in U.S. Treasury bills in anticipation of quick non market correlated opportunities.
- The Fund may also invest in value-oriented common stocks and convertible securities.

PORTFOLIO HIGHLIGHTS

Total Net Assets	\$1.4 billion	Share Class	Symbol
NAV (Class AAA)	\$10.23	Class AAA	GBCX
Turnover	276%	Available directly from Gabelli Funds. Not available through intermediaries. Minimum initial investment is \$10,000.	
Inception Date (Class AAA)	5/14/93	Advisor Class	GADVX
Minimum initial investment is \$10,000.		Available through intermediaries. Minimum initial investment is \$10,000.	

PORTFOLIO MANAGEMENT



MARIO J. GABELLI, CFA
Chief Executive Officer
GAMCO Investors, Inc.

- M.B.A. Columbia Graduate School of Business
- B.S. Fordham University
- Fund manager since Inception

PERFORMANCE STATISTICS

	Return	Std Dev	Beta	Alpha	Capture Ratio	R-Squared
GBCX	5.76%	3.35	0.15	4.25	22.1↑ 5.2↓	41.81
S&P 500	9.43%	14.48	-	-	-	-

Since Inception ending March 31, 2017

WHAT IS MERGER ARBITRAGE?

- An investment strategy that focuses on the securities of companies involved in a merger or acquisition.
- Seek to capture the difference or “spread” between the market price of the security and the realized value through deal consummation.
- Spreads are reflective of the risks associated with the deal and expected timing until deal closure.

TOP TEN SECTORS

Health Care	6.3%
Food & Beverage	3.4%
Energy & Utilities	3.4%
Specialty Chemicals	3.3%
Retail	2.7%
Telecommunications	2.7%
Building & Construction	2.3%
Financial Services	1.9%
Semiconductors	1.7%
Metals & Mining	1.7%
Total % of Top Ten	29.4%

TOP TEN HOLDINGS

Actelion Ltd	3.0%
Valspar Corp.	2.2%
Westar Energy Inc.	1.9%
CST Brands Inc.	1.8%
WhiteWave Foods Co.	1.7%
VCA Inc.	1.3%
Parmalat SpA	1.3%
Joy Global Inc.	1.2%
Level 3 Communications Inc.	1.0%
Brocade Comm. Systems Inc.	0.9%
Total % of Top Ten	16.3%

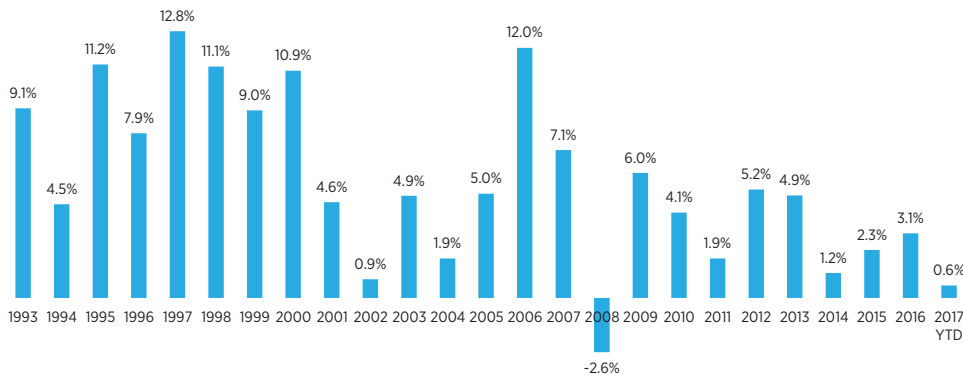
The top ten holdings and sectors listed are not necessarily representative of the entire portfolio and are subject to change. The most recent semiannual report, which contains a more extensive list of holdings, is available from your financial adviser or by contacting the distributor, G. distributors, LLC.

The Fund's share price will fluctuate with changes in the market value of the Fund's portfolio securities. Stocks are subject to market, economic and business risks that cause their prices to fluctuate. When you sell Fund shares, they may be worth less than what you paid for them. Consequently, you can lose money by investing in the Fund.

Standard deviation is a statistical measure of the volatility of a fund's returns. Beta measures a fund's risk relative to the S&P 500 Index which, by definition, has a beta of 1.00. If a fund's beta is less than 1.00, the fund is considered less risky than the market. Alpha is a measure of a fund's actual returns and expected performance, given its level of risk (as measured by beta). Upside/downside capture ratio show you whether a given fund has outperformed, gained more or less than, a broad market benchmark during periods of market strength and weakness, and if so, by how much. R-squared is a statistic that indicates how much of a fund's fluctuations were attributable to movements of the fund's benchmark index.

Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectus, which contains more complete information about these and other matters, should be read carefully before investing. To obtain a prospectus, please call 800-GABELLI or visit www.gabelli.com.

ABSOLUTE RETURNS FOR 22 OUT OF 23 CALENDAR YEARS (AAA)



TOTAL RETURN PERFORMANCE HISTORY

	Class AAA Shares	Lipper UST Money Market Average	S&P Long Only Merger Arbitrage Index
2017 YTD	0.6%	0.0%	1.3%
2016	3.1%	0.1%	4.0%
2015	2.3%	0.1%	2.6%
2014	1.2%	0.0%	1.2%
2013	4.9%	0.0%	10.4%
2012	5.2%	0.0%	2.0%
2011	1.9%	0.0%	-0.1%
2010	4.1%	0.0%	7.8%
2009	6.0%	0.0%	11.9%
2008	-2.6%	1.1%	-7.4%
2007	7.1%	4.1%	NA
2006	12.0%	4.1%	NA
2005	5.0%	2.3%	NA
2004	1.9%	0.6%	NA
2003	4.9%	0.4%	NA
2002	0.9%	1.0%	NA
2001	4.6%	3.4%	NA
2000	10.9%	5.5%	NA
1999	9.0%	4.3%	NA
1998	11.1%	4.7%	NA
1997	12.8%	4.5%	NA
1996	7.9%	4.8%	NA
1995	11.1%	5.3%	NA
1994	4.5%	3.6%	NA
1993*	9.1%	1.6%	NA

AVERAGE ANNUAL RETURNS AS OF 3/31/17

	1 Yr	5 Yr	10 Yr	15 Yr	Inception*
Class AAA	2.88%	2.81%	3.13%	3.82%	5.76%
Advisor Class	2.75%	2.56%	2.88%	3.65%	5.66%
Lipper UST Money Market Average	0.08%	0.02%	0.46%	0.96%	2.21%

¹ The current expense ratio for Class AAA shares is 0.59%. The current expense ratio for the Advisor Class is 0.84%. Expense ratios based on prospectus dated April 29, 2016.

*From Inception 5/14/93

Returns represent past performance and do not guarantee future results. Due to market volatility, current performance may be lower or higher than the performance data quoted. Total return and average annual returns are historical and reflect changes in share price, reinvestment of dividends and capital gains and are net of expenses. Investment return and principal value will fluctuate so, upon redemption, shares may be worth more or less than their original cost. To obtain the most recent month end performance information and a prospectus, please call 800-GABELLI or visit www.gabelli.com.

Performance for periods less than one year is not annualized. The Fund imposes a 2% redemption fee on shares sold or exchanged in seven days or less after the date of purchase. The Advisor Class inception date is May 1, 2007. The historical performance of Class AAA shares is used to calculate performance for the Advisor Class prior to its inception date. The actual performance of the Advisor Class would have been lower due to the additional expenses associated with this class of shares. The Lipper U.S. Treasury Money Market Average reflects the average performance of mutual funds classified in this particular category. The Fund does not have the safety of principal and credit quality associated with U.S. Treasury Money Market securities. The S&P 500 Index is an unmanaged indicator of stock market performance and is adjusted for reinvestment of dividends. The S&P Long Only Merger Arbitrage Index is comprised of a maximum of 40 large and liquid stocks that are active targets in pending merger deals. You cannot invest directly in the S&P 500 Index or the S&P Long Only Merger Arbitrage Index.

Investing in foreign securities involves risks not ordinarily associated with investments in domestic issues including currency fluctuations, economic and political risks. As a non-diversified Fund, the Fund may have a larger portion of its assets in a single issuer than a more diversified fund. Because the Fund invests in announced mergers or acquisitions, the Fund is subject to the risk that the announced merger or acquisition may not be completed, may be negotiated at a less attractive price, or may not close on the expected date. The Fund may not achieve its objective and you may lose money by investing in the Fund.

Minimum initial investment \$10,000. The Class AAA shares are open to new investors who purchase shares directly through the Distributor, G.distributors, LLC. Investments through intermediaries may be made in the Advisor Class. Not FDIC Insured. Not Bank Guaranteed. May Lose Value.

The Gabelli Mutual Funds are distributed by G.Distributors, LLC., a registered broker-dealer and member of FINRA.

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