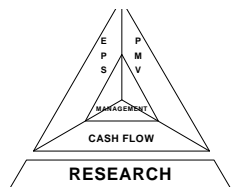


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Gabelli Asset Management

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Gabelli Asset Management Inc. Reports Record Second Quarter and Six Month Results

Rye, New York, July 24, 2000 – Gabelli Asset Management Inc. (NYSE: “GBL”) today reported record results for the second quarter and six months ended June 30, 2000.

Total revenues rose 34% to \$57.1 million versus \$42.6 million in the second quarter of 1999. Operating income climbed 48% to \$24.9 million from \$16.8 million in the prior year as GBL’s operating margins improved to 43.6% in the second quarter of 2000 versus 39.5% in the second quarter of 1999. Net income jumped 22% to \$14.3 million versus \$11.7 million in the second quarter of 1999. Earnings were up 23% to \$0.48 per share for the second quarter of 2000 versus \$0.39 per share in 1999.

In the first six months of 2000 revenues were \$114.9 million an increase of 40% from revenues of \$82.3 million in the same period a year earlier. Net income rose 35% to \$28.3 million versus \$20.9 million for the first half of 1999. Earnings were \$0.95 per share in the first half of 2000 compared to \$0.70 per share in 1999, up 36%.

Revenue and operating earnings growth are driven by the growth in assets under management. During the second quarter of 2000, assets under management averaged \$22.6 billion, 24% higher than the \$18.2 billion in average assets managed during the second quarter of 1999. Average assets in our open end equity mutual funds climbed 46% to \$9.2 billion in 2000 versus \$6.3 billion in the 1999 quarter. At June 30, 2000, total assets under management were \$23.3 billion.

Assets Under Management – Driver of Growth

The Company reported assets under management as follows:

Table I:

| | Assets Under Management | | |
|---|-------------------------|------------------|-------------------|
| | June 30, | | |
| | <u>1999</u> | <u>2000</u> | <u>% Increase</u> |
| | (in millions) | | |
| Mutual Funds: | | | |
| Open end | \$ 6,735 | \$ 9,517 | 41.3 |
| Closed end | 1,809 | 1,863 | 3.0 |
| Fixed income | <u>1,025</u> | <u>1,225</u> | 19.5 |
| Total Mutual Funds | <u>9,569</u> | <u>12,605</u> | 31.7 |
| Institutional & Separate Accounts: | | | |
| Equities | 8,475 | 9,630 | 13.6 |
| Fixed Income | <u>594</u> | <u>688</u> | 15.8 |
| Total Institutional & Separate Accounts | <u>9,069</u> | <u>10,318</u> | 13.8 |
| Partnerships | <u>165</u> | <u>344</u> | 108.5 |
| Total Assets Under Management | <u>\$18,803</u> | <u>\$ 23,267</u> | 23.7 |

At June 30, 2000, approximately 92% of open end mutual funds' assets under management were in funds with Morningstar Inc.'s overall rankings of “four stars” or better and more than 53% were in funds ranked “five stars”. Funds that have earned the coveted five star rating from Morningstar, Inc. include the Gabelli Global Growth Fund, the Gabelli Global Telecommunications Fund, and the Gabelli Growth Fund. In addition, the Gabelli Global Multimedia Trust, a closed end fund, also received a five star rating from Morningstar, Inc. During the second quarter of 2000, we added the Comstock Capital Value Fund and the Comstock Strategy Fund, with assets under management of \$51 million and \$31 million, respectively, to our Gabelli Mathers mutual fund product line.

Table II:

Fund Flows – 2nd Quarter 2000 (in millions)

| | <u>March 31, 2000</u> | <u>Net Cash Flows</u> | <u>Assets Acquired</u> | <u>Market Appreciation</u> | <u>June 30, 2000</u> |
|---|-----------------------|-----------------------|------------------------|----------------------------|----------------------|
| Mutual Funds: | | | | | |
| Equities | \$ 11,237 | \$ 363 | \$ 82 | \$ (302) | \$ 11,380 |
| Fixed Income | <u>1,188</u> | <u>26</u> | <u>-</u> | <u>11</u> | <u>1,225</u> |
| Total Mutual Funds | <u>12,425</u> | <u>389</u> | <u>82</u> | <u>(291)</u> | <u>12,605</u> |
| Institutional and Separate Accounts: | | | | | |
| Equities | 9,479 | 85 | - | 66 | 9,630 |
| Fixed Income | <u>815</u> | <u>(138)</u> | <u>-</u> | <u>11</u> | <u>688</u> |
| Total Institutional and Separate Accounts | <u>10,294</u> | <u>(53)</u> | <u>-</u> | <u>77</u> | <u>10,318</u> |
| Partnerships | <u>278</u> | <u>54</u> | <u>-</u> | <u>12</u> | <u>344</u> |
| Total Assets Under Management | <u>\$ 22,997</u> | <u>\$ 390</u> | <u>\$ 82</u> | <u>\$ (202)</u> | <u>\$ 23,267</u> |

Table III:

| | Assets Under Management (in millions) | | | | | % Inc. (Dec.) | |
|---|---------------------------------------|------------------|------------------|------------------|------------------|----------------|-------------|
| | <u>6/99</u> | <u>9/99</u> | <u>12/99</u> | <u>3/00</u> | <u>6/00</u> | <u>3/00</u> | <u>6/99</u> |
| Mutual Funds: | | | | | | | |
| Open end | \$ 6,735 | \$ 6,700 | \$ 8,509 | \$ 9,282 | \$ 9,517 | 2.5 | 41.3 |
| Closed end | 1,809 | 1,731 | 1,950 | 1,955 | 1,863 | (4.7) | 3.0 |
| Fixed income | <u>1,025</u> | <u>1,172</u> | <u>1,181</u> | <u>1,188</u> | <u>1,225</u> | 3.1 | 19.5 |
| Total Mutual Funds | <u>9,569</u> | <u>9,603</u> | <u>11,640</u> | <u>12,425</u> | <u>12,605</u> | 1.4 | 31.7 |
| Institutional & Separate Accounts: | | | | | | | |
| Equities | 8,475 | 8,148 | 9,370 | 9,479 | 9,630 | 1.6 | 13.6 |
| Fixed Income | <u>594</u> | <u>680</u> | <u>694</u> | <u>815</u> | <u>688</u> | (15.6) | 15.8 |
| Total Institutional & Separate Accounts | <u>9,069</u> | <u>8,828</u> | <u>10,064</u> | <u>10,294</u> | <u>10,318</u> | 0.2 | 13.8 |
| Partnerships | <u>165</u> | <u>198</u> | <u>230</u> | <u>278</u> | <u>344</u> | 23.7 | 108.5 |
| Total Assets Under Management | <u>\$ 18,803</u> | <u>\$ 18,629</u> | <u>\$ 21,934</u> | <u>\$ 22,997</u> | <u>\$ 23,267</u> | 1.2 | 23.7 |

Table IV:

GABELLI ASSET MANAGEMENT INC.
UNAUDITED CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except per share data)

| | For the Three Months Ended June 30, | | | For the Six Months Ended June 30, | | |
|--|--|------------------|----------|--------------------------------------|------------------|---------------|
| | 1999 | 2000 | % | Pro Forma 1999 (a) | 2000 | % Increase |
| | | | - | | | |
| | | | Increase | | | |
| Revenues..... | \$ 42,623 | \$ 57,120 | 34.0 | \$ 82,314 | \$ 114,893 | 39.6 |
| Expenses..... | <u>25,801</u> | <u>32,195</u> | 24.8 | <u>48,738</u> | <u>64,586</u> | 32.5 |
| Operating income..... | 16,822 | 24,925 | 48.2 | 33,576 | 50,307 | 49.8 |
| Other income, net | <u>6,355</u> | <u>2,898</u> | | <u>8,452</u> | <u>5,009</u> | |
| Income before management fee, income taxes and minority interest..... | 23,177 | 27,823 | 20.0 | 42,028 | 55,316 | 31.6 |
| Management fee..... | <u>2,318</u> | <u>2,783</u> | | <u>4,203</u> | <u>5,532</u> | |
| Income before income taxes and minority interest | 20,859 | 25,040 | 20.0 | 37,825 | 49,784 | 31.6 |
| Income tax provision..... | 8,260 | 9,916 | | 15,233 | 19,715 | |
| Minority interest..... | <u>944</u> | <u>870</u> | | <u>1,658</u> | <u>1,819</u> | |
| Net income..... | \$ <u>11,655</u> | \$ <u>14,254</u> | 22.3 | \$ <u>20,934</u> (b) | \$ <u>28,250</u> | 34.9 |
| Net income per share: | | | | | | |
| Basic and diluted..... | \$ <u>0.39</u> | \$ <u>0.48</u> | 23.1 | \$ <u>0.70</u> (b) | \$ <u>0.95</u> | 35.7 |
| Weighted average shares outstanding: | | | | | | |
| Basic..... | <u>29,949</u> | <u>29,589</u> | | <u>29,974</u> | <u>29,616</u> | |
| Diluted..... | <u>29,949</u> | <u>29,877</u> | | <u>29,974</u> | <u>29,780</u> | |

(a) Pro forma financial information reflects the results of operations as if all of the following were in effect at January 1, 1999: the Formation Transactions; the reduction in management fee from 20% to 10% and the conversion from a Subchapter S Corporation to a "C" Corporation.

(b) Excludes a non-recurring charge of \$50 million related to the note payable (\$30.9 million, net of tax benefit, or \$1.03 per share) and charged in the first quarter of 1999. After giving effect to this charge the Company had a net loss of .33 per share for the six months ended June 30, 1999.

Table V

Gabelli Asset Management Inc.
Unaudited Quarterly Consolidated Condensed Statements of Income
(in thousands, except per share data)

| | 1999 | | | | | 2000 | | |
|---|--------------------------------|----------------------------|----------------------------|----------------------------|------------------|----------------------------|----------------------------|------------------|
| | 1 st Quarter (a) | 2 nd Quarter | 3 rd Quarter | 4 th Quarter | Total | 1 st Quarter | 2 nd Quarter | Total |
| Income Statement Data: | | | | | | | | |
| Revenues | \$ 39,691 | \$ 42,623 | \$ 44,091 | \$ 49,857 | \$ 176,262 | \$ 57,773 | \$ 57,120 | \$ 114,893 |
| Expenses | <u>22,937</u> | <u>25,801</u> | <u>24,623</u> | <u>27,393</u> | <u>100,754</u> | <u>32,391</u> | <u>32,195</u> | <u>64,586</u> |
| Operating income | 16,754 | 16,822 | 19,468 | 22,464 | 75,508 | 25,382 | 24,925 | 50,307 |
| Other income, net | <u>2,097</u> | <u>6,355</u> | <u>936</u> | <u>5,683</u> | <u>15,071</u> | <u>2,111</u> | <u>2,898</u> | <u>5,009</u> |
| Income before management fee, income taxes and minority interest | 18,851 | 23,177 | 20,404 | 28,147 | 90,579 | 27,493 | 27,823 | 55,316 |
| Management fee | <u>1,885</u> | <u>2,318</u> | <u>2,040</u> | <u>2,814</u> | <u>9,057</u> | <u>2,749</u> | <u>2,783</u> | <u>5,532</u> |
| Income before income taxes and minority interest | 16,966 | 20,859 | 18,364 | 25,333 | 81,522 | 24,744 | 25,040 | 49,784 |
| Income taxes | 6,973 | 8,260 | 7,297 | 10,028 | 32,558 | 9,799 | 9,916 | 19,715 |
| Minority interest | <u>714</u> | <u>944</u> | <u>830</u> | <u>782</u> | <u>3,270</u> | <u>949</u> | <u>870</u> | <u>1,819</u> |
| Net income | <u>\$ 9,279</u> | <u>\$ 11,655</u> | <u>\$ 10,237</u> | <u>\$ 14,523</u> | <u>\$ 45,694</u> | <u>\$ 13,996</u> | <u>\$ 14,254</u> | <u>\$ 28,250</u> |
| Net income per share: | | | | | | | | |
| Basic and diluted | <u>\$ 0.31</u> | <u>\$ 0.39</u> | <u>\$ 0.34</u> | <u>\$ 0.49</u> | <u>\$ 1.53</u> | <u>\$ 0.47</u> | <u>\$ 0.48</u> | <u>\$ 0.95</u> |
| Weighted average shares outstanding: | | | | | | | | |
| Basic | <u>30,000</u> | <u>29,949</u> | <u>29,861</u> | <u>29,752</u> | <u>29,890</u> | <u>29,643</u> | <u>29,589</u> | <u>29,616</u> |
| Diluted | <u>30,000</u> | <u>29,949</u> | <u>29,861</u> | <u>29,752</u> | <u>29,890</u> | <u>29,643</u> | <u>29,877</u> | <u>29,780</u> |

- (a) Pro forma financial information reflects the results of operations as if all of the following were in effect at January 1, 1999: the Formation Transactions; the reduction in management fee from 20% to 10% and the conversion from a Subchapter S Corporation to "C" Corporation. Pro forma results exclude a non-recurring charge related to the \$50 million note payable (\$30.9 million, net of tax benefit or \$1.03 per share) recorded in the first quarter of 1999

Table VI

GABELLI ASSET MANAGEMENT INC.
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
(In thousands)

| | December 31, | June 30, | |
|---|-------------------|--------------------|-------------------|
| | <u>1999</u> | <u>1999</u> | <u>2000</u> |
| ASSETS | | (unaudited) | |
| Cash and cash equivalents..... | \$ 103,032 | \$ 96,886 | \$ 105,964 |
| Investments..... | 90,809 | 56,010 | 121,037 |
| Receivables..... | 26,269 | 40,009 | 34,428 |
| Deferred income taxes, net..... | 16,887 | 19,830 | 17,391 |
| Other assets..... | <u>6,065</u> | — | <u>6,266</u> |
| | 9,953 | | |
| Total assets..... | \$ <u>243,062</u> | \$ <u>222,688</u> | \$ <u>285,086</u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | | |
| Debt (a)..... | \$ 50,000 | \$ 50,000 | \$ 50,000 |
| Accrued expenses and other liabilities..... | <u>30,668</u> | <u>32,388</u> | <u>44,475</u> |
| Total liabilities..... | 80,668 | 82,388 | 94,475 |
| Minority interest..... | 14,818 | 14,404 | 16,547 |
| Stockholders' equity..... | <u>147,576</u> | <u>125,896</u> | <u>174,064</u> |
| Total liabilities and stockholders' equity..... | \$ <u>243,062</u> | \$ <u>222,688</u> | \$ <u>285,086</u> |

(a) This debt, arising from the Formation Transactions, is due January 2, 2002, and will result in a tax benefit of \$19,830 (included in deferred income taxes, net).

Gabelli Asset Management Inc. through its subsidiaries manages \$23.3 billion in assets in mutual funds, closed end funds, partnerships and private investment advisory accounts.

Forward Looking Information

This release may contain forward-looking statements about future operations, results and performance, which involve risks and uncertainties that may cause the actual operations, results or performance to differ materially from those expressed in or implied by the forward-looking statements. These risks and uncertainties include the performance of the securities markets and the Company's investment products, future economic conditions, changes in business strategy and other factors. Consequently, no assurance can be given as to future operations, results or performance, and neither the Company nor any other person assumes liability for the accuracy and completeness of the forward-looking statements in this press release.