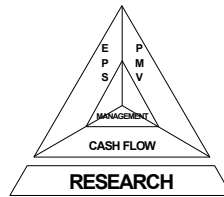


One Corporate Center
Rye, NY 10580-1435
Tel. (914) 921-5146
Fax (914) 921-5392
www.gabelli.com



Gabelli Asset Management

For Immediate Release:

Contact: Robert S. Zuccaro
Chief Financial Officer
(914) 921-5146

For further information visit our
Website at: www.gabelli.com

Gabelli Reports Record Second Quarter and Six Month Results

Fully diluted earnings rose 10.4% in the Second Quarter of 2001 to \$0.53 per share vs. \$0.48 in the prior year and total assets under management increased 10.2% to \$25.6 billion.

Rye, New York, July 24, 2001 – Gabelli Asset Management Inc. (NYSE: “GBL”) reported record results today for the second quarter and six months ended June 30, 2001.

Total revenues for the quarter were \$57.0 million, matching the record revenues reported for the second quarter of 2000. Net income rose 11.1% to a record \$15.8 million versus \$14.3 million in the second quarter of 2000. Fully diluted earnings rose 10.4% to \$0.53 per share for the second quarter of 2001 versus \$0.48 in 2000.

For the six months ended June 30, 2001, revenues were \$115.4 million versus \$114.9 million in the same period a year earlier. Net income rose 8.8% to \$30.7 million versus \$28.3 million for the first half of 2000. Fully diluted earnings rose 8.4% to \$1.03 per share in the first half of 2001 compared to \$0.95 in 2000.

Revenues in the second quarter and first six months of 2001 were virtually the same as those in the comparable prior year periods, as increased revenues from our institutional and separate accounts offset lower mutual fund revenues and incentive fees earned on our alternative investment products.

Operating margins were higher in the second quarter and first six months of 2001 versus comparable prior year periods as we continue to benefit from our ongoing efforts to control expenses and reduce our overall cost structure.

We continue to build a strong and liquid balance sheet. Our assets included cash and investments of nearly \$300 million on June 30, 2001 versus \$260 million on December 31, 2000 and \$227 million on June 30, 2000.

Growth Drivers

Revenue and operating earnings growth are driven by increasing assets under management. During the second quarter of 2001, total assets under management averaged \$24.6 billion, 8.9% higher than the \$22.6 billion in average total assets managed during the second quarter of 2000. On June 30, 2001, total assets under management were \$25.6 billion, up 10.2% from \$23.3 billion on June 30, 2000.

Assets under management at GAMCO (Gabelli Asset Management Company) benefited from a net increase of 120 new accounts and \$1.3 billion of net cash flows in the first half of 2001. Over 75% of the new accounts were in the high-net-worth individual category.

Mutual fund assets rose nearly \$800 million during the second quarter 2001, including more than \$200 million in net cash flows into our open-end equity funds. As of June 30, eight of our open-end equity funds

received the coveted, top Morningstar overall rating of “Five Stars” and fifteen funds were rated “Four Stars” or better. Additionally, the closed-end Gabelli Multimedia Trust is “Five Star” rated.

Our Alternative Investment Group, led by Marc Gabelli, is exhibiting significant momentum, with assets increasing 62% from June 30, 2000 and 18% from March 31, 2001 to June 30, 2001.

Highlights for the quarter:

- We received Morningstar's prestigious “Five Star” overall rating on the following funds:
 - GABELLI GLOBAL OPPORTUNITY FUND – searches the world for growth and value opportunities in its stock selection process. The fund is team managed and began operations on May 11, 1998.
 - GABELLI WESTWOOD MIGHTY MITES FUND – invests in domestic micro-cap companies that have a market capitalization of \$300 million or less. The fund is team managed and was started on May 11, 1998.
 - GABELLI EQUITY INCOME FUND – seeks a high level of total return through investment in a portfolio of dividend-paying equity securities. This fund was launched on January 2, 1992.
- Gabelli Asset Management sponsored a Value Investing Symposium in April at New York’s Museum of Television and Radio. This event served as a backdrop for the introduction of Columbia University Graduate School of Business Professor Bruce Greenwald’s book titled Value Investing. Leading value-investing luminaries joined Mario J. Gabelli and Bruce Greenwald to address a packed auditorium of institutional investors, consultants and members of the press.
- GAMCO hosted its Sixteenth Annual Meeting in May. Nearly 700 clients attended a dinner at the Waldorf Astoria where three new inductees to the GAMCO Management Hall of Fame - Sal H. Alfiero, Mark IV Industries; James Carroll, Wynn's International; and Edgar M. Cullman, Sr., General Cigar - were honored. The following day, portfolio managers and analysts made investment research presentations to clients.
- Our Gabelli Equity Trust preferred stock offering, rated “Aaa” by Moody’s, was heavily oversubscribed, raising \$165 million for this closed-end fund through an underwriting led by Salomon Smith Barney, Merrill Lynch, and Gabelli & Company.

Outlook

Our performance and growth during recent periods of stock market volatility underscore the strength of our diversified investment products as well as the balance of our extensive client base which includes high net worth, institutional, mutual fund and alternative investment accounts. We believe our commitment to providing investors with superior long-term, risk-adjusted performance will continue to benefit us through periods of increased volatility and will provide solid long-term performance for our shareholders.

Assets Under Management – Driver of Growth

The Company reported assets under management as follows:

Table I:

	<u>Assets Under Management (in millions)</u>		
	June 30,		
	<u>2000</u>	<u>2001</u>	<u>% Inc. (Dec.)</u>
Mutual Funds:			
Open End	\$ 9,517	\$ 8,963	(5.8)%
Closed End	1,863	1,971	5.8
Fixed Income	<u>1,225</u>	<u>1,541</u>	25.8
Total Mutual Funds	<u>12,605</u>	<u>12,475</u>	(1.0)
Institutional & Separate Accounts:			
Equities	9,630	11,860	23.2
Fixed Income	<u>688</u>	<u>737</u>	7.1
Total Institutional & Separate Accounts	<u>10,318</u>	<u>12,597</u>	22.1
Partnerships	<u>344</u>	<u>558</u>	62.2
Total Assets Under Management	<u>\$ 23,267</u>	<u>\$25,630</u>	10.2

At June 30, 2001, approximately 97% of open end mutual fund assets under management were in funds with Morningstar Inc.'s overall ranking of "Four Star" or better. Sixteen Gabelli funds have been rated "Four Star" or better including nine Gabelli funds which have earned the coveted "Five Star" overall rating.

Table II:

	<u>Fund Flows – 2nd Quarter 2001 (in millions)</u>			
	<u>March 31, 2001</u>	<u>Net Cash Flows</u>	<u>Market Appreciation</u>	<u>June 30, 2001</u>
Mutual Funds:				
Equities	\$10,067	375	492	\$10,934
Fixed Income	<u>1,614</u>	<u>(84)</u>	<u>11</u>	<u>1,541</u>
Total Mutual Funds	<u>11,681</u>	<u>291</u>	<u>503</u>	<u>12,475</u>
Institutional and Separate Accounts:				
Equities	10,651	434	775	11,860
Fixed Income	<u>864</u>	<u>(136)</u>	<u>9</u>	<u>737</u>
Total Institutional and Separate Accounts	<u>11,515</u>	<u>298</u>	<u>784</u>	<u>12,597</u>
Partnerships	<u>473</u>	<u>78</u>	<u>7</u>	<u>558</u>
Total Assets Under Management	<u>\$ 23,669</u>	<u>\$ 667</u>	<u>\$ 1,294</u>	<u>\$ 25,630</u>

Table III:

	<u>Assets Under Management (in millions)</u>					<u>% Inc. (Dec.) from</u>	
	<u>6/00</u>	<u>9/00</u>	<u>12/00</u>	<u>3/01</u>	<u>6/01</u>	<u>3/01</u>	<u>6/00</u>
	Mutual Funds:						
Open End	\$ 9,517	\$ 9,685	\$ 8,971	\$ 8,321	\$ 8,963	7.7%	(5.8)%
Closed End	1,863	1,860	1,709	1,746	1,971	12.9	5.8
Fixed Income	<u>1,225</u>	<u>1,307</u>	<u>1,433</u>	<u>1,614</u>	<u>1,541</u>	(4.5)	25.8
Total Mutual Funds	<u>12,605</u>	<u>12,852</u>	<u>12,113</u>	<u>11,681</u>	<u>12,475</u>	6.8	(1.0)
Institutional & Separate Accounts:							
Equities	9,630	9,788	10,142	10,651	11,860	11.4	23.2
Fixed Income	<u>688</u>	<u>752</u>	<u>859</u>	<u>864</u>	<u>737</u>	(14.7)	7.1
Total Institutional & Separate Accounts	<u>10,318</u>	<u>10,540</u>	<u>11,001</u>	<u>11,515</u>	<u>12,597</u>	9.4	22.1
Partnerships	<u>344</u>	<u>416</u>	<u>437</u>	<u>473</u>	<u>558</u>	18.0	62.2
Total Assets Under Management	<u>\$ 23,267</u>	<u>\$ 23,808</u>	<u>\$ 23,551</u>	<u>\$ 23,669</u>	<u>\$ 25,630</u>	8.3	10.2

Table IV:

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

	<u>For the Three Months Ended</u>			<u>For the Six Months Ended</u>		
	<u>June 30,</u>		<u>% Inc.</u> <u>(Dec.)</u>	<u>June 30,</u>		<u>% Inc.</u> <u>(Dec.)</u>
	<u>2000</u>	<u>2001</u>		<u>2000</u>	<u>2001</u>	
Revenues.....	\$ 57,120	\$ 57,017		\$ 114,893	\$ 115,361	
Expenses.....	<u>32,195</u>	<u>32,102</u>	(0.3)	<u>64,586</u>	<u>63,652</u>	(1.4)
Operating income.....	24,925	24,915	-	50,307	51,709	2.8
Other income, net	<u>2,898</u>	<u>4,692</u>	61.9	<u>5,009</u>	<u>5,828</u>	16.4
Income before management fee, income taxes and minority interest.....	27,823	29,607		55,316	57,537	
Management fee.....	<u>2,783</u>	<u>2,961</u>		<u>5,532</u>	<u>5,754</u>	
Income before income taxes and minority interest	25,040	26,646	6.4	49,784	51,783	4.0
Income tax provision.....	9,916	10,285		19,715	19,988	
Minority interest.....	870	520		<u>1,819</u>	<u>1,058</u>	
Net income.....	<u>\$ 14,254</u>	<u>\$ 15,841</u>	11.1	<u>\$ 28,250</u>	<u>\$ 30,737</u>	8.8
Net income per share:						
Basic.....	<u>\$ 0.48</u>	<u>\$ 0.54</u>	12.5	<u>\$ 0.95</u>	<u>\$ 1.04</u>	9.5
Diluted.....	<u>\$ 0.48</u>	<u>\$ 0.53</u>	10.4	<u>\$ 0.95</u>	<u>\$ 1.03</u>	8.4
Weighted average shares outstanding:						
Basic.....	<u>29,589</u>	<u>29,527</u>		<u>29,616</u>	<u>29,517</u>	
Diluted.....	<u>29,877</u>	<u>29,932</u>		<u>29,780</u>	<u>29,887</u>	

Table V

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

	2000					2001		
	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	Total	1 st Quarter	2 nd Quarter	Total
Income Statement Data:								
Revenues	\$ 57,773	\$ 57,120	\$ 59,164	\$ 59,861	\$ 233,918	\$ 58,344	\$ 57,017	\$ 115,361
Expenses	<u>32,391</u>	<u>32,195</u>	<u>34,709</u>	<u>34,413</u>	<u>133,708</u>	<u>31,550</u>	<u>32,102</u>	<u>63,652</u>
Operating income	25,382	24,925	24,455	25,448	100,210	26,794	24,915	51,709
Other income, net	<u>2,111</u>	<u>2,898</u>	<u>3,987</u>	<u>3,751</u>	<u>12,747</u>	<u>1,136</u>	<u>4,692</u>	<u>5,828</u>
Income before management fee, income taxes and minority interest	27,493	27,823	28,442	29,199	112,957	27,930	29,607	57,537
Management fee	<u>2,749</u>	<u>2,783</u>	<u>2,844</u>	<u>2,920</u>	<u>11,296</u>	<u>2,793</u>	<u>2,961</u>	<u>5,754</u>
Income before income taxes and minority interest	24,744	25,040	25,598	26,279	101,661	25,137	26,646	51,783
Income taxes	9,799	9,916	10,137	10,405	40,257	9,703	10,285	19,988
Minority interest	<u>949</u>	<u>870</u>	<u>971</u>	<u>619</u>	<u>3,409</u>	<u>538</u>	<u>520</u>	<u>1,058</u>
Net income	<u>\$ 13,996</u>	<u>\$ 14,254</u>	<u>\$ 14,490</u>	<u>\$ 15,255</u>	<u>\$ 57,995</u>	<u>\$ 14,896</u>	<u>\$ 15,841</u>	<u>\$ 30,737</u>
Net income per share:								
Basic	<u>\$ 0.47</u>	<u>\$ 0.48</u>	<u>\$ 0.49</u>	<u>\$ 0.52</u>	<u>\$ 1.96</u>	<u>\$ 0.50</u>	<u>\$ 0.54</u>	<u>\$ 1.04</u>
Diluted	<u>\$ 0.47</u>	<u>\$ 0.48</u>	<u>\$ 0.48</u>	<u>\$ 0.51</u>	<u>\$ 1.94</u>	<u>\$ 0.50</u>	<u>\$ 0.53</u>	<u>\$ 1.03</u>
Weighted average shares outstanding:								
Basic	<u>29,643</u>	<u>29,589</u>	<u>29,547</u>	<u>29,522</u>	<u>29,575</u>	<u>29,507</u>	<u>29,527</u>	<u>29,517</u>
Diluted	<u>29,643</u>	<u>29,877</u>	<u>29,969</u>	<u>30,043</u>	<u>29,914</u>	<u>29,839</u>	<u>29,932</u>	<u>29,887</u>

Table VI

GABELLI ASSET MANAGEMENT INC.
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
(in thousands, unaudited)

	December 31,	June 30,	
	<u>2000</u>	<u>2000</u>	<u>2001</u>
ASSETS			
Cash and cash equivalents.....	\$ 146,475	\$ 105,964	\$ 126,348
Investments.....	113,159	121,037	172,899
Receivables.....	32,490	34,428	27,310
Deferred income taxes, net.....	19,382	17,391	19,580
Other assets.....	<u>6,298</u>	<u>6,266</u>	<u>6,054</u>
Total assets.....	\$ <u>317,804</u>	\$ <u>285,086</u>	\$ <u>352,191</u>
LIABILITIES AND STOCKHOLDERS' EQUITY			
Debt (a).....	\$ 50,000	\$ 50,000	\$ 50,000
Accrued expenses and other liabilities.....	<u>47,756</u>	<u>44,475</u>	<u>51,306</u>
Total liabilities.....	97,756	94,475	101,306
Minority interest.....	17,851	16,547	15,435
Stockholders' equity.....	<u>202,197</u>	<u>174,064</u>	<u>235,450</u>
Total liabilities and stockholders' equity.....	\$ <u>317,804</u>	\$ <u>285,086</u>	\$ <u>352,191</u>

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

Gabelli Asset Management Inc. through its subsidiaries manages \$25.6 billion in assets in mutual funds and closed end funds (Gabelli Funds LLC), partnerships (Alternative Investment Group), and private investment advisory accounts (GAMCO).

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.