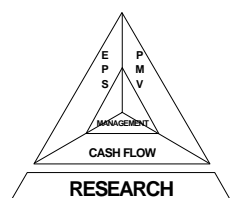


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Gabelli Asset Management

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Gabelli Asset Management Inc. Reports Record Net Income for the Fourth Quarter and for the Full Year

Full Year 2001 Diluted Earnings of \$2.03 per share versus \$1.94 per share in Prior Year

Rye, New York, January 30, 2002 – Gabelli Asset Management Inc. (NYSE: “GBL”) today reported record results for the fourth quarter and full year ended December 31, 2001.

Fourth Quarter and Full Year

Net income was \$15.4 million, or \$0.51 per diluted share for the fourth quarter ended December 31, 2001, matching last year’s record fourth quarter earnings per share and exceeding the prior period net income of \$15.3 million. Operating income in the period increased by 9% to \$27.7 million versus \$25.4 million last year. Total revenues in the quarter were \$52.9 million versus \$59.9 million in 2000. Income from investments during the quarter was approximately \$0.6 million compared to \$3.8 million in last year’s fourth quarter. There were 32.2 million shares outstanding on December 31, 2001 compared to 30.0 million at the prior year end.

For the full year, Gabelli Asset Management reported record earnings of \$61.1 million, or \$2.03 per diluted share, an increase of 5% over last year’s earnings per share of \$1.94 on net income of \$58.0 million. Operating income in the year increased by 4.6% to \$104.8 million versus \$100.2 million last year. Total revenues in 2001 were \$224.4 million versus \$233.9 million in 2000. Income from investments during the year was \$8.5 million, compared to \$12.7 million last year. Average shares outstanding for the full year ended December 31, 2001 were 30.8 million versus 29.9 million for the year 2000.

Financial Highlights

A key aspect to the Company’s performance during the fourth quarter 2001 was our ability to recover from the decline in assets which occurred after September 11. Assets under management rose 11% to \$24.8 billion at December 31, 2001 from the September 30 level of \$22.3 billion and were 5% higher than the \$23.5 billion under management at December 31, 2000. The fourth quarter recovery was driven by the performance of our equity products, which attracted \$284 million of net cash inflows and increased more than \$2.2 billion from market appreciation.

Average total assets under management were \$23.8 billion during the fourth quarter of 2001 versus \$23.5 billion during the fourth quarter of 2000. For the full year 2001, average total assets under management were \$24.2 billion, 4.8% higher than average total assets of \$23.1 billion in 2000.

Despite a hostile equity market environment marked by high volatility following the tragic events of September 11, net cash flows into our equity products totaled a record \$2.6 billion for 2001. Total net cash inflows including fixed income products were \$2.7 billion for the year.

The increase in average total assets under management during the fourth quarter of 2001 versus the prior year's quarter did not translate into higher comparable revenues since the increase in average assets in our institutional and high net worth Separate Accounts and Alternative Investment products were offset by a 13.6% decline in our open-end equity mutual fund accounts and lower performance fees from our hedge fund products. Since revenues from our Separate Accounts business are billed on assets at the beginning of the quarter, fourth quarter billings reflect the lower levels of assets under management at September 30, 2001, even though assets increased more than 13% during the quarter.

Operating income in the fourth quarter of 2001 was \$27.7 million, 9% higher than the 2000 quarter as operating expenses declined 26.8% in the 2001 quarter versus the year earlier period. Included in the fourth quarter was a decrease of \$2.9 million in incentive compensation. These costs, which were estimated and accrued during the year, were lowered in the fourth quarter to actual amounts awarded for the year, resulting in a \$0.05 addition to fourth quarter diluted earnings per share. For the full year, operating margins were 46.7% versus 42.8% in 2000. The improvement in operating margins reflects the Company's ongoing efforts to maximize efficiencies in its cost structure and improve productivity.

We continue to build a strong and liquid balance sheet. Cash and Investments were approximately \$427 million at December 31, 2001 versus \$260 million at December 31, 2000. Stockholders' equity was \$272 million at December 31, 2001 versus \$202 million at the prior year-end.

During the quarter the Company repurchased 50,000 shares of its common stock, at a discount from market price, from Gabelli Group Capital Partners, Inc. at an average cost of \$35.20 per share.

Investment, Business and Other Highlights:

- Assets under management in the high net worth business, which operates under the GAMCO brand, increased to \$3.1 billion at December 31, 2001 as 154 new business relationships were established during the year.
- Total net cash flows into our institutional and high net worth Separate Accounts exceeded \$1.4 billion, with over \$700 million added from the net addition of 242 accounts during 2001.
- Assets managed in the Alternative Investment products increased \$136 million or 31% during 2001.
- Fifteen Gabelli Mutual Funds have earned Morningstar Inc.'s overall ranking of "Four Stars" or better including four Gabelli funds which have earned the coveted "Five Star" overall rating.
- Net cash flows into our open-end equity mutual funds totaled over \$600 million during 2001 placing Gabelli in the top 5% of all mutual funds advisers. Net cash flows into all mutual fund products totaled more than \$1.1 billion in 2001.

Assets Under Management – Driver of Growth

The Company reported assets under management as follows:

Table I

	Assets Under Management (in millions)		
	December 31,		% Inc. (Dec.)
	<u>2000</u>	<u>2001</u>	
Mutual Funds:			
Open end	\$ 8,971	\$ 8,334	(7.1)%
Closed end	1,709	1,831	7.1
Fixed income	<u>1,433</u>	<u>1,790</u>	24.9
Total Mutual Funds	<u>12,113</u>	<u>11,955</u>	(1.3)
Institutional & Separate Accounts:			
Equities	10,142	11,513	13.5
Fixed Income	<u>859</u>	<u>720</u>	(16.2)
Total Institutional & Separate Accounts	<u>11,001</u>	<u>12,233</u>	11.2
Partnerships	<u>437</u>	<u>573</u>	31.1
Total Assets Under Management	<u>\$ 23,551</u>	<u>\$ 24,761</u>	5.1

At December 31, 2001, approximately 59% of open end mutual fund assets under management were in funds with Morningstar Inc.'s overall ranking of “Four Star” or better.

Table II

Fund Flows – 4th Quarter 2001 (in millions)

	<u>September 30, 2001</u>	<u>Net Cash Flows</u>	<u>Market Appreciation / (Depreciation)</u>	<u>December 31, 2001</u>
Mutual Funds:				
Equities	\$ 9,111	\$ 33	\$ 1,021	\$ 10,165
Fixed Income	<u>1,830</u>	<u>(50)</u>	<u>10</u>	<u>1,790</u>
Total Mutual Funds	<u>10,941</u>	<u>(17)</u>	<u>1,031</u>	<u>11,955</u>
Institutional and Separate Accounts:				
Equities	10,008	284	1,221	11,513
Fixed Income	<u>780</u>	<u>(64)</u>	<u>4</u>	<u>720</u>
Total Institutional and Separate Accounts	<u>10,788</u>	<u>220</u>	<u>1,225</u>	<u>12,233</u>
Partnerships	<u>615</u>	<u>(33)</u>	<u>(9)</u>	<u>573</u>
Total Assets Under Management	<u>\$ 22,344</u>	<u>\$ 170</u>	<u>\$ 2,247</u>	<u>\$ 24,761</u>

Table III

	Assets Under Management (in millions)					% Inc. (Dec.) from	
	<u>12/00</u>	<u>3/01</u>	<u>6/01</u>	<u>9/01</u>	<u>12/01</u>	<u>9/01</u>	<u>12/00</u>
Mutual Funds:							
Open end	\$ 8,971	\$ 8,321	\$ 8,963	\$ 7,405	\$ 8,334	12.5%	(7.1)%
Closed end	1,709	1,746	1,971	1,706	1,831	7.3	7.1
Fixed income	<u>1,433</u>	<u>1,614</u>	<u>1,541</u>	<u>1,830</u>	<u>1,790</u>	(2.2)	24.9
Total Mutual Funds	<u>12,113</u>	<u>11,681</u>	<u>12,475</u>	<u>10,941</u>	<u>11,955</u>	9.3	(1.3)
Institutional & Separate Accounts:							
Equities	10,142	10,651	11,860	10,008	11,513	15.0	13.5
Fixed Income	<u>859</u>	<u>864</u>	<u>737</u>	<u>780</u>	<u>720</u>	(7.7)	(16.2)
Total Institutional & Separate Accounts	<u>11,001</u>	<u>11,515</u>	<u>12,597</u>	<u>10,788</u>	<u>12,233</u>	13.4	11.2
Partnerships	<u>437</u>	<u>473</u>	<u>558</u>	<u>615</u>	<u>573</u>	(6.8)	31.1
Total Assets Under Management	<u>\$ 23,551</u>	<u>\$ 23,669</u>	<u>\$ 25,630</u>	<u>\$ 22,344</u>	<u>\$ 24,761</u>	10.8	5.1

Table IV

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

	For the Three Months Ended December 31,			For the Twelve Months Ended December 31,		
	<u>2000</u>	<u>2001</u>	% Inc. (Dec.)	<u>2000</u>	<u>2001</u>	% Inc. (Dec.)
Revenues.....	\$ 59,861	\$ 52,932		\$ 233,918	\$ 224,414	
Expenses.....	<u>34,413</u>	<u>25,190</u>	(26.8)	<u>133,708</u>	<u>119,641</u>	(10.5)
Operating income.....	25,448	27,742	9.0	100,210	104,773	4.6
Other income, net	<u>3,751</u>	<u>645</u>	(82.8)	<u>12,747</u>	<u>8,474</u>	(33.5)
Income before management fee, income taxes and minority interest.....	29,199	28,387		112,957	113,247	
Management fee.....	<u>2,920</u>	<u>2,839</u>		<u>11,296</u>	<u>11,325</u>	
Income before income taxes and minority interest	26,279	25,548	(2.8)	101,661	101,922	0.3
Income tax provision.....	10,405	9,861		40,257	39,342	
Minority interest.....	<u>619</u>	<u>272</u>		<u>3,409</u>	<u>1,482</u>	
Net income.....	\$ <u>15,255</u>	\$ <u>15,415</u>	1.1	\$ <u>57,995</u>	\$ <u>61,098</u>	5.4
Net income per share:						
Basic.....	\$ <u>0.52</u>	\$ <u>0.52</u>	-	\$ <u>1.96</u>	\$ <u>2.06</u>	5.1
Diluted.....	\$ <u>0.51</u>	\$ <u>0.51</u>	-	\$ <u>1.94</u>	\$ <u>2.03</u>	4.6
Weighted average shares outstanding:						
Basic.....	<u>29,522</u>	<u>29,875</u>		<u>29,575</u>	<u>29,666</u>	
Diluted.....	<u>30,043</u>	<u>32,182</u>	7.1	<u>29,914</u>	<u>30,783</u>	2.9

Table V

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

Income Statement Data:	1st Quarter	2nd Quarter	2000 3rd Quarter	4th Quarter	Total	1st Quarter	2nd Quarter	2001 3rd Quarter	4th Quarter	Total
Revenues	\$ 57,773	\$ 57,120	\$ 59,164	\$ 59,861	\$ 233,918	\$ 58,344	\$ 57,017	\$ 56,121	\$ 52,932	\$ 224,414
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>30,799</u>	<u>25,190</u>	<u>119,641</u>
Operating income	25,382	24,925	24,455	25,448	100,210	26,794	24,915	25,322	27,742	104,773
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>2,001</u>	<u>645</u>	<u>8,474</u>
Income before management fee, income taxes and minority interest	27,493	27,823	28,442	29,199	112,957	27,930	29,607	27,323	28,387	113,247
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>2,732</u>	<u>2,839</u>	<u>11,325</u>
Income before income taxes and minority interest	24,744	25,040	25,598	26,279	101,661	25,137	26,646	24,591	25,548	101,922
Income taxes	9,799	9,916	10,137	10,405	40,257	9,703	10,285	9,493	9,861	39,342
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>152</u>	<u>272</u>	<u>1,482</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>\$ 14,946</u>	<u>\$ 15,415</u>	<u>\$ 61,098</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>\$ 0.50</u>	<u>\$ 0.52</u>	<u>\$ 2.06</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>\$ 0.49</u>	<u>\$ 0.51</u>	<u>\$ 2.03</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>29,748</u>	<u>29,875</u>	<u>29,666</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>31,142</u>	<u>32,182</u>	<u>30,783</u>

Table VI

**GABELLI ASSET MANAGEMENT INC.
UNAUDITED CONDENSED CONSOLIDATED
STATEMENTS OF FINANCIAL CONDITION
(in thousands)**

	December 31, <u>2000</u>	December 31, <u>2001</u>
Cash and cash equivalents.....	\$ 146,475	\$ 305,447
Investments (a)	113,159	122,106
Receivables.....	32,490	28,241
Deferred tax asset (b)	19,382	18,661
Other assets.....	<u>6,298</u>	<u>8,471</u>
Total assets.....	<u>\$ 317,804</u>	<u>\$ 482,926</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Debt (b).....	\$ 50,000	\$50,000
Accrued expenses and other liabilities.....	<u>47,756</u>	<u>53,486</u>
Total liabilities.....	97,756	103,486
Convertible note payable.....	-	100,000
Minority interest.....	17,851	7,611
Stockholders' equity.....	<u>202,197</u>	<u>271,829</u>
Total liabilities and stockholders' equity.....	<u>\$ 317,804</u>	<u>\$ 482,926</u>

(a) Includes investments in sponsored mutual funds of \$7 million held as available for sale at December 31, 2001.

(b) This debt, arising from the Formation Transactions, was paid on January 2, 2002, and results in a tax benefit to the Company of \$19,830 (included in deferred income taxes, net).

Gabelli Asset Management Inc. through its subsidiaries manages \$24.8 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.