THE GABELLI

CONVERTIBLE AND INCOME SECURITIES FUND INC.

Shareholder Commentary
December 31, 2009

THE GABELLI

CONVERTIBLE AND INCOME SECURITIES FUND INC.

Our cover icon represents the underpinnings of Gabelli. The Teton mountains in Wyoming represent what we believe in in America – that creativity, ingenuity, hard work, and a global uniqueness provide enduring values. They also stand out in an increasingly complex, interconnected, and interdependent economic world.

Investment Objective:

The Gabelli Convertible and Income Securities Fund Inc. is a diversified, closed-end management investment company whose primary objective is to seek a high level of total return through a combination of current income and capital appreciation.

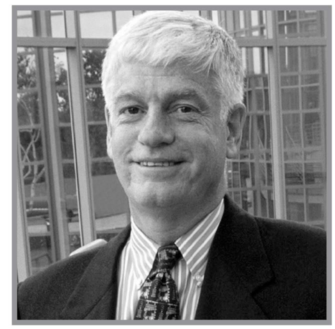
We have separated the portfolio manager's commentary from the financial statements and investment portfolio due to corporate governance regulations stipulated by the Sarbanes-Oxley Act of 2002. We have done this to ensure that the content of the portfolio manager's commentary is unrestricted. The financial statements and investment portfolio are mailed separately from the commentary. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at www.gabelli.com.

This report is printed on recycled paper.

From the Gabelli Press:

Global Convertible Investing: The Gabelli Way

THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.



Mario J. Gabelli, CFA

To Our Shareholders,

The Gabelli Convertible and Income Securities Fund's (the "Fund") net asset value ("NAV") total return was 3.8% during the fourth quarter of 2009, compared with gains of 6.0% and 4.9% for the Standard & Poor's ("S&P") 500 Index and the Lipper Convertible Securities Fund Average, respectively, and a decline of 0.2% for the Barclays Capital Government/Corporate Bond Index. The total return for the Fund's publicly traded shares was 4.2% during the fourth quarter. For 2009, the Fund's NAV total return was 23.6% and the total return for the Fund's publicly traded shares was 13.2%, compared with gains of 26.5%, 4.5%, and 41.1% for the S&P 500 Index, the Barclays Capital Government/Corporate Bond Index, and the Lipper Convertible Securities Fund Average, respectively. On December 31, 2009, the Fund's NAV per share was $5.94, while the price of the publicly traded shares closed at $5.81 on the New York Stock Exchange ("NYSE").

Comparative Results

Average Annual Returns through December 31, 2009 (a)

	Quarter	1 Year	3 Year	5 Year	10 Year	15 Year	20 Year	Since Inception (07/03/89)
Gabelli Convertible and Income Securities Fund								
NAV Total Return (b)	**3.80%**	**23.79%**	**(1.28)%**	**3.17%**	**3.25%**	**5.55%**	**6.35%**	**6.50%**
Investment Total Return (c)	**4.22**	**13.16**	**(4.41)**	**0.31**	**3.49**	**N/A(d)**	**N/A(d)**	**5.02(d)**
S&P 500 Index	6.04	26.47	(5.62)	0.42	(0.95)	8.04	8.20	8.64(e)
Barclays Capital Government/Corporate Bond Index	(0.21)	4.52	5.81	4.71	6.34	6.76	7.00	7.05(e)
Lipper Convertible Securities Fund Average	4.88	41.09	(0.24)	2.53	3.33	7.71	8.45	8.47(e)

(a) ***Returns represent past performance and do not guarantee future results.*** *Investment returns and the principal value of an investment will fluctuate. When shares are sold, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Visit www.gabelli.com for performance information as of the most recent month end. Performance returns for periods of less than one year are not annualized.* ***Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing.*** *The S&P 500 Index is an unmanaged indicator of stock market performance. The Barclays Capital Government/Corporate Bond Index is an unmanaged market value weighted index that tracks the total return performance of fixed rate, publicly placed, dollar denominated obligations. The Lipper Convertible Securities Fund Average reflects the average performance of open-end mutual funds classified in this particular category. Dividends and interest income are considered reinvested. You cannot invest directly in an index.*

(b) *Total returns and average annual returns reflect changes in the NAV per share, reinvestment of distributions at NAV on the ex-dividend date, and adjustments for rights offerings and are net of expenses. Since inception return is based on an initial NAV of $10.00.*

(c) *Total returns and average annual returns reflect changes in closing market values on the NYSE, reinvestment of distributions, and adjustments for rights offerings. Since inception return is based on an initial offering price of $11.25.*

(d) *The Fund converted to closed-end status on March 31, 1995 and had no operating history on the NYSE prior to that date.*

(e) *From June 30, 1989, the date closest to the Fund's inception for which data is available.*

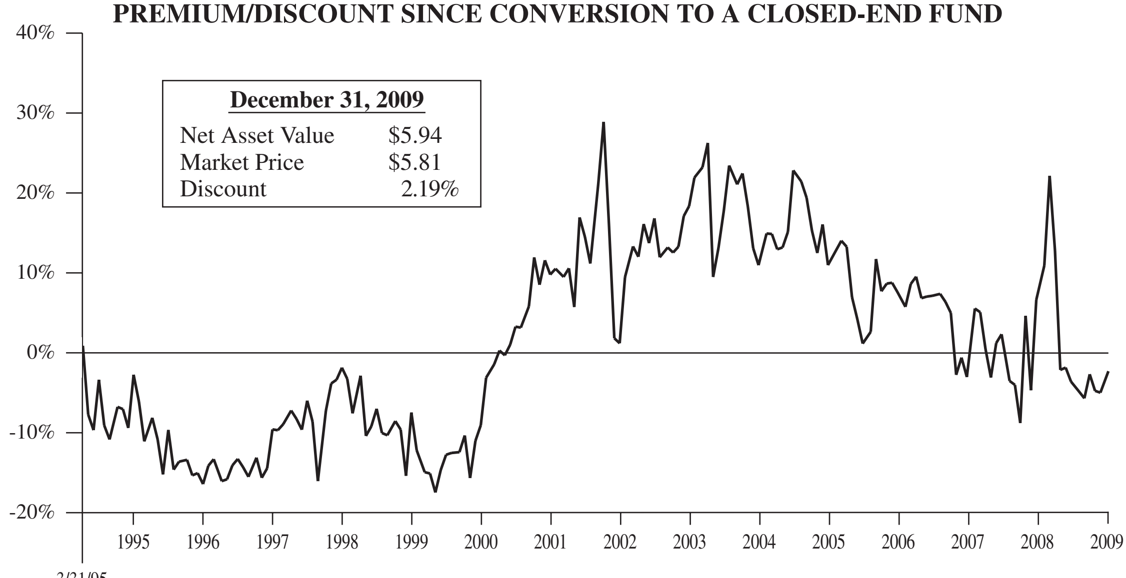
Premium / Discount Discussion

As a refresher for our shareholders, the price of a closed-end fund is determined in the open market by willing buyers and sellers. Shares of the Fund trade on the NYSE and may trade at a premium to (higher than) net asset value (the market value of the Fund's underlying portfolio and other assets less any liabilities) or a discount to (lower than) net asset value. Of the 623 closed-end funds that are publicly traded in the U.S. as of December 31, 2009, approximately 25% trade at premiums to NAV compared with 27% five years ago and 5% ten years ago.

Ideally, the Fund's market price will generally track the NAV. In actuality, the Fund's premium or discount to NAV may vary over time. Over the Fund's fourteen year history as a closed-end fund, the range fluctuated from a 34% premium in August 2002 to a 32% discount in October 2008. On December 31, 2009, the market price of the Fund closed at a 2.2% discount to its NAV.

The Fund's long-term investment goal is to seek a high level of total return through a combination of current income and capital appreciation. We believe that our securities selection process adds to the investment equation. We have a successful history of investment, providing shareholders average annual returns of 6.5% since inception. However, it is important to remember that "Mr. Market" is a pendulum that swings both ways.

PREMIUM/DISCOUNT SINCE CONVERSION TO A CLOSED-END FUND



Data points as of each month end.

Our Objective

Our mandate is to preserve and enhance our shareholders' wealth through a conservative and disciplined approach to convertible securities investing. Our goal is to generate profitable returns in strong markets and protect principal in weak markets by taking advantage of the unique characteristics of convertible securities.

Our Fund is managed with a goal of achieving a 600–800 basis point spread above longer dated Treasuries, which we hope to generate over the long term. Of course, there are no guarantees.

Convertible Securities are "Hybrids"

It is important to understand our stock selection discipline, because price movement in the underlying equity will generally have the greatest impact on convertible securities pricing. The convertible securities market consists of bonds, debentures, corporate notes, preferred stocks, and warrants or other similar securities, which may be converted into or exchanged for a prescribed amount of common stock or other equity security of the same or a different issuer within a particular period of time, at a specified price or formula. Converts are "hybrid" securities that combine the capital appreciation potential of equities with the higher yield of fixed income instruments. Our strategy incorporates the purchase of convertible securities that are trading at a premium (above parity) with the common stock, but which generally provide a higher yield, and, over time, capital appreciation. We also will seek out "busted" converts, where the underlying common stock has dropped significantly and the values of both the conversion privilege and the convert are down. Such securities will provide both high yields and long-term capital appreciation potential.

Market Review

Convertibles saw positive returns in the fourth quarter of 2009 and generally moved in tandem with equity markets. A post recession rally propelled U.S. convertibles to record performance in 2009, after an abysmal showing in 2008. The largest positive contributor to returns was the surprisingly sharp recovery of credit spreads. This is illustrated by high yield spreads, which tightened nearly 1,200 basis points year over year. The U.S. convertibles market richened further as constituents regained equity sensitivity, benefiting from the general appreciation of underlying equities and revaluation of their respective "option" components as convertibles rose from bond floors.

Convertibles gained 6.0% in the fourth quarter of 2009, with full year performance up 49.1% as represented by the Merrill Lynch All U.S. Convertibles Index (VXA0). During those same periods, the underlying equities rose 6.8% and 61.0%, respectively. Individual monthly index returns during the fourth quarter were –1.7%, 3.6%, and 4.1%, while the underlying equities posted corresponding returns of –6.6%, 7.0%, and 6.9%. Speculative grade and small cap convertible issues again tended to outperform higher quality issues during the quarter, wholly consistent with the relative outperformance of the lowest (most speculative) grades of high yield bonds.

For the year, speculative grade converts outperformed investment grades by more than a factor of three (up 82% vs. 25.5%), due to the stronger performance of the underlying stocks (99% vs. 35%) and greater relative spread tightening attributable to these speculative grade names. For the year, all industry sectors showed positive performance. As compiled by Bank of America (Merrill Lynch), Materials (Commodities) converts had the best performance as a group, up 99% with underlying equities up 121%. Other top performing sectors for the year included Consumer Discretionary (+90%), Media (+62%), Transportation (+60%), Technology (+60%), and Financials (52%).

Demand for new convertible issuance was strong throughout the fourth quarter and continuing into 2010. During the fourth quarter, Bank of America (Merrill Lynch) reported inconsistent primary market activity, with twenty-seven new deals pricing for aggregate proceeds of $11.5 billion. New issuance proceeds for the full year was a disappointing $37.2 billion, the lowest aggregate annual new issuance in more than a decade. Redemptions remained at an elevated level, outpacing new issuance in the fourth quarter and totaling $15.9 billion, resulting in further net supply contraction.

The total market value of the U.S. convertible universe grew from $211.9 billion to $220.9 billion during the fourth quarter, driven largely by positive secondary market performance throughout the quarter and despite the supply contraction that acted as a headwind on the asset class.

Similar performance was evident in the European and Asian convertibles markets. The Europe Middle East Africa (EMEA) and Asia Pacific markets posted full year performance of 41.7% and 36.9%, respectively, as tracked by Barclays, corresponding to underlying equity performance of 52.7% and 72.8%, respectively. Much like the U.S. market, the best performing EMEA and Asia Pacific convertibles were speculative grade names which outperformed their investment grade cohorts by a factor of nearly five (82% vs. 17%) and three (40% vs. 15%), respectively.

As of December 1, 2009, Barclays' EMEA convertible bond universe was comprised of 198 bonds representing €81.3 billion of nominal value (€79.4 billion by market value). The current universe consists predominantly of French, German, and UK issuers (97 issues, €43.6 billion of market value) and is comprised of approximately 44% investment grade and 56% high yield bonds. Healthy new issuance totaling approximately €23 billion outpaced redemptions of €12 billion, resulting in positive net supply. As of December 31, 2009, Barclays' Asia Pacific convertible bond universe is comprised of Asian convertibles and thirty-two of the most liquid and active Japanese convertible bonds, with a $66.5 billion market value. Japanese converts account for nearly one third of the index by market value, with Indian, Hong Kong, and Singapore making up most of the balance. Credit quality is about equally split between investment grade and high yield, with Japanese corporates representing the bulk of the investment grade bonds. New issuance in the Asia Pacific market was relatively weak in 2009, totaling $9.0 billion from thirty-three deals, which offset $7.4 billion of redemptions, resulting in modest supply growth.

Outlook

In 2009, convertible performance proved to be the mirror image of 2008, with rebounding index returns effectively making back almost 90% of the previous year's losses. 2010 performance expectations are for more muted returns, more in line with the historical norm, reflecting a continued market movement to normalized conditions. We believe that the current market in convertibles represents a timely opportunity, with attractive current yield and future upside potential for investors in the Fund.

Current market conditions provide opportunities for potential future gains. Attractive investments range from low premium convertibles with upside potential should stocks continue their rebound, to some higher yielding convertibles that are attractive on an outright basis. This view is supported by continued signs of an economic recovery, interest rates that are expected to rise slowly, credit spreads that could further narrow despite the last year's substantial tightening, elevated stock specific volatility, and a convertibles market that is still marginally "cheap" on a theoretical basis. New convertible issuance offers an additional opportunity for potential gain, especially in the currently constrained supply environment. Finally, as the market moves from beta driven performance (simply being exposed to a rebounding asset class) to alpha driven performance (security selection), we expect this current environment to favor specifically our research driven process to add value.

The current portfolio represents a combination approach to the convertible asset class, blending a number of attractive situations in a balanced approach to provide safety and capital appreciation. Over the past year, the portfolio has benefited from a broad range of positive situational outcomes including attractive outright yield to put/maturity plays, credit spread contraction, rebounding equity-sensitive names, a rebound in merger and acquisition activity, and new issuance.

Let's Talk Investments

The following are security specifics on selected holdings of our Fund. Favorable earnings prospects do not necessarily translate into higher security prices, but they do express a positive trend that we believe will develop over time. Individual securities mentioned are not necessarily representative of the entire portfolio.

The Coca-Cola Co. (KO - $57.00 - NYSE), headquartered in Atlanta, GA, is the global leader in non-alcoholic beverages. Anchored by its iconic Coca-Cola brand, the company holds double volume global share advantage over its nearest competitor. KO owns or licenses nearly 500 brands and sells close to 3,000 different sparkling and still beverages in more than 200 countries. We expect the company to deliver 10% compounded annual growth in earnings per share through 2013, driven by continued volume growth in emerging markets and volume improvements in the United States. We expect innovation, e.g. Coke Zero, and continued expansion of healthy drink offerings, e.g. VitaminWater, and low calorie drinks sweetened with natural sweetener Truvia, to help revive U.S. volume growth.

Ferro Corp. (FOE) (Cv., 6.500%, 08/15/13), based in Cleveland, Ohio, is a producer of performance chemicals and specialty materials with operations in twenty-three countries. Its product offerings include polymer additives, fine chemicals and specialty plastics. In recent years, the company has made substantial progress restructuring operations, reducing costs, implementing operational excellence initiatives and investing in new product development. Ferro continued to tighten spending during the 2008 downturn and saw higher gross margins and income segment margins in the third quarter of 2009. An offering of approximately 41 million shares of common stock was completed late in 2009. $50 million of the offering proceeds was used to pay for restructuring programs and strategic initiatives, with the balance used to reduce borrowings under Ferro's credit facility.

Great Atlantic & Pacific Tea Co. (GAP) (Sub. Deb. Cv., 5.125%, 06/15/11), headquartered in Montvale, NJ, is the leading supermarket operator in New York and New Jersey, with an approximate market share of 30%. The company operates 434 supermarkets mostly under the A&P, A&P Fresh, Pathmark, Waldbaum's, and The Food Emporium banners in eight Mid-Atlantic and New England states and the District of Columbia. Approximately 75% of the company's stores are located New York (172 stores) and New Jersey (154 stores). The company is focused on improving its operating metrics, from the current 3% EBITDA margin closer to 5%, through format optimization and operating performance progress at the 141 Pathmark stores GAP acquired at the end of 2007. We believe the company's strong number one market share position in the New York region will eventually make the company an attractive acquisition candidate for one of the national supermarket players.

Griffon Corp. (GFF) (Cv. 4.000%, 07/1/23 & 01/15/17), based in Jericho, NY, operates three businesses: Clopay Building Products, which manufactures residential garage doors; Clopay Plastic Products, which develops plastic films used as moisture barriers in baby diapers and adult incontinence products; and Griffon Telephonics, which manufactures a variety of electronic systems used in defense and commercial markets worldwide. For the fiscal year ended September 30, 2009, Griffon generated revenues of $1.2 billion and EBITDA of approximately $70 million. Currently, Griffon trades at a significant discount to its private market value. The company's adult incontinence products should benefit as the number of baby boomers in the 65+ age group grows at the fastest rate in history. Additionally, improving fundamentals in the housing sector should provide tailwinds to the company's garage door business. Finally, CEO Ron Kramer could help surface value by spinning off or selling some businesses or by streamlining existing operations.

SanDisk (SNDK) (Cv., 1.000%, 05/15/13), headquartered in Milpitas, CA, manufactures NAND based flash memory cards. The company generated $3.35 billion in sales in 2008. The NAND flash memory cards are widely used in consumer electronics products, e.g., digital cameras, multimedia players, handsets, smartphones, and solid state drives. SanDisk's major end markets are mobile devices and imaging applications, which accounted for 33% and 25% of 2008 revenue, respectively. Other end markets include USB, audio/visual, and embedded SSD. The NAND flash memory market has seen oversupply, excess inventories, and up to 60% average annual selling price decline (based on memory size) until early 2009. Oversupply and global macroeconomic recession have driven major flash memory manufacturers to lower their production significantly. This is leading to a more balanced demand/supply market and favorable pricing trends. Market research predicts that even if all major players return to full production levels, the NAND flash memory market will still end up in supply shortage by the end of 2009. SanDisk is working toward large volume production of its advanced NAND memory chip. The advanced NAND memory chip can store 3-bits (X3) and 4-bits (X4) of memory in one cell versus 1-bit and 2-bits of memory widely used today. SNDK expects producing 50% of its total X3 and X4 production in 2009 will help generate 15–20% extra margins. On the cost side, SanDisk has significantly reduced its capital requirements, strategically moving toward a mix of captive and non-captive production, by cementing a supply agreement with Samsung. This will help SanDisk manage the cyclical nature of demand/supply imbalance in the future. Lastly, SanDisk has a strong balance sheet, with $1.11 billion in cash, or $4.90/share.

Sinclair Broadcast Group Inc. (SBGI) (Sub. Deb. Cv., 6.000%, 09/15/12), headquartered in Hunt Valley, MD, owns, operates, or programs fifty-eight television stations in thirty-five markets, reaching about 22% of U.S. households. The company's five largest markets are Tampa, Minneapolis, Pittsburgh, St. Louis, and Baltimore. The fourth quarter was a busy one for Sinclair Broadcast Group. On October 8, Sinclair commenced a tender for its 3% convertible notes due in 2027 and its 4.875% notes due in 2018. On October 13, the company increased its third quarter guidance on net broadcast revenues to $136 million, down 9.4% from the third quarter of 2008, from the previous guidance of $126.6 million, which had shown a decline of 15.7% from the prior year. At the same time, SBGI announced its intention to offer $430 million of notes to be used to fund the tender. The company increased the size of the offer to $500 million priced at 97.264% with a coupon of 9.25%. Third quarter results were reported on November 4, and revenues of $136.4 million were in line with earlier guidance. Fourth quarter revenues were projected to be $143–$146 million (or an 11.0%–12.8% decline). On January 3, 2010, the company raised fourth quarter guidance to $154 million, a decline of just 6.5%. What happened? In large part, auto advertising started to come back, accounting for about one half of the improvement. As a result, we increased our 2010 Private Market Value ("PMV") to $10 per share from $8. Better than expected terms for the refinancing, a more upbeat tone about the core business, and an expected bumper crop of political advertising in 2010 are contributing to our optimism.

Standard Motor Products Inc. (SMP) (Sub. Deb. Cv., 15.00%, 04/15/11) is a leading independent manufacturer of engine management and replacement parts for motor vehicles. The company manufactures and distributes ignition and emissions parts, on-board computers, and ignition wires. SMP also manufactures and sells air conditioning compressors and other air conditioning and heating parts. We are confident that aftermarket parts manufacturers will experience steady growth over the next three to five years as weak new vehicle sales between 2008 and 2011 effectively ages the overall vehicle population. As consumers hold on to their vehicles longer, service needs increase, creating replacement parts opportunities for SMP.

In Conclusion

Our bottom-up, fundamental research driven investment process should ultimately lead to positive returns in the months and years ahead. We expect continued volatility in both credit and equity markets, which should provide opportunities to capture value in convertible securities. As fundamental value investors, we look for a margin of safety in our investments – a concept pioneered by value investor guru Benjamin Graham. This margin is the amount by which a stock's intrinsic value is above its market price. When we analyze a company, we calculate its PMV – the value an informed buyer would pay for it. We look at a company's earnings, cash flow, industry position, and many other factors to calculate this intrinsic value. If we can buy stock in a company whose PMV is comfortably above its market price – buying it for less than what it is worth – we do so. We take into account that if a company happens to be in a volatile industry, we require a larger margin of safety and a bigger discount to PMV. Over time, this investment style yields superior returns while minimizing downside risk. Our experience has taught us that today's market volatility will provide attractive entry points to maximize the potential of our long-time strategy.

Sincerely,

Mario J. Gabelli

Mario J. Gabelli, CFA
Portfolio Manager and
Chief Investment Officer

January 19, 2010

Note: The views expressed in this Shareholder Commentary reflect those of the Portfolio Manager only through the end of the period stated in this Shareholder Commentary. The Portfolio Manager's views are subject to change at any time based on market and other conditions. The information in this Portfolio Manager's Shareholder Commentary represents the opinions of the individual Portfolio Manager and is not intended to be a forecast of future events, a guarantee of future results, or investment advice. Views expressed are those of the Portfolio Manager and may differ from those of other portfolio managers or of the Firm as a whole. This Shareholder Commentary does not constitute an offer of any transaction in any securities. Any recommendation contained herein may not be suitable for all investors. Information contained in this Shareholder Commentary has been obtained from sources we believe to be reliable, but cannot be guaranteed.

Portfolio Manager Compensation

Mr. Gabelli's incentive-based, variable compensation structure and dollar amount have been fully disclosed each year since April of 2000 in the annual proxy statement for GAMCO Investors, Inc. (NYSE:GBL). Mr. Gabelli receives no base salary, no annual bonus, and no stock options.

As founder and portfolio manager of The Gabelli Convertible and Income Securities Fund Inc., Mr. Gabelli received $284,211 in calendar year 2008. For the Fund's first twelve months of operation starting in July 1989, Mr. Gabelli received less than $125,000. Mario J. Gabelli and various entities he is deemed to control owned 1,407,709 and 4,200 common and preferred shares, respectively, of the Fund for a total amount invested of $8,178,789 and $104,160 in the common and preferred shares, respectively, as of December 31, 2009. Mr. Gabelli may not have pecuniary interest equal to a one hundred percent economic ownership in some of the entities he is deemed to control.

8% Distribution Policy for Common Stockholders

The Board of Directors of the Fund (the "Board") has reaffirmed the continuation of the Fund's 8% distribution policy for the fourth quarter of 2009. Pursuant to its distribution policy, the Fund paid a $0.12 per share cash distribution on December 17, 2009 to common stockholders of record on December 14, 2009. The total distributions for 2009 from the Fund equate to $0.42 per share.

The Fund intends to pay a quarterly distribution of an amount determined each quarter by the Board. Under the Fund's current distribution policy, the Fund intends to pay a minimum annual distribution of 8% of the average net asset value of the Fund within a calendar year or an amount sufficient to satisfy the minimum distribution requirements of the Internal Revenue Code, whichever is greater. The average net asset value of the Fund is based on the average net asset values as of the last day of the four preceding calendar quarters.

Each quarter, the Board reviews the amount of any potential distribution and the income, capital gain, or capital available. The Board will continue to monitor the Fund's quarterly distribution level, taking into consideration the Fund's net asset value and the financial market environment. The Fund's distribution policy is subject to modification by the Board at any time.

If the Fund does not generate earnings from dividends and interest received and net realized capital gains equal to or in excess of the aggregate distributions paid by the Fund in a given year, then the amount distributed in excess of the Fund's investment income and net realized capital gains would be deemed a non-taxable return of capital. Since this would be considered a return of a portion of a shareholder's original investment, it is not taxable and is treated as a reduction in the shareholder's cost basis. However, despite the challenges of the extra record keeping, a distribution that is occasionally supplemented with a return of capital serves as a smoothing mechanism resulting in a more stable and consistent cash flow available to shareholders. For a closed-end fund with a distribution policy, a return of capital becomes progressively less likely with the passage of time because in later years it is more likely that long-term capital gains can be realized and therefore become available for distribution. A portion of the distribution may be treated as long-term capital gain and qualified dividend income for individuals, each subject to the maximum federal income tax rate, which is currently 15% in taxable accounts for individuals. Long-term capital gains, qualified dividend income, ordinary income, and paid-in capital, if any, will be allocated on a pro-rata basis to all distributions to common shareholders for the year. Based on the distribution allocations of the Fund as of December 31, 2009, the total distributions paid in 2009 include approximately 20% from net investment income and 80% from paid-in capital. The estimated components of each distribution are provided to shareholders of record in a notice accompanying the distribution and are available on our website (www.gabelli.com). All shareholders with taxable accounts will receive written notification regarding the components and tax treatment for all 2009 distributions in early 2010 via Form 1099-DIV.

6.00% Series B Cumulative Preferred Stock

The Fund's 6.00% Series B Cumulative Preferred Stock paid a $0.375 per share cash distribution on December 28, 2009 to preferred shareholders of record on December 18, 2009. The Series B Preferred Shares, which trade on the NYSE under the symbol "GCV Pr B", are rated "Aaa" by Moody's Investors Service and have an annual dividend rate of $1.50 per share. The Series B Preferred Shares were issued on March 18, 2003 at $25.00 per share and pay distributions quarterly. After five years of call protection, the Series B Preferred Shares became callable at any time at the liquidation value of $25.00 per share plus accrued dividends. The next distribution is scheduled for March 2010. The Fund is authorized to purchase its Series B Preferred Shares in the open market from time to time when such shares are trading at a discount to the liquidation value of $25.00. In total through December 31, 2009, the Fund repurchased and retired 34,452 Series B Preferred Shares in the open market under this share repurchase authorization. The Fund did not repurchase any Series B Preferred Shares during the fourth quarter of 2009.

It should be noted that the Investment Adviser does not receive a management fee on the incremental assets attributable to the Preferred Stock unless the total return of the net asset value of the common stock during the year, including distributions and management fee subject to reduction, exceeds the stated dividend rate or corresponding swap rate of each particular series of Preferred Stock for the fiscal year. The Investment Adviser believes this fee arrangement is in the best interest of all shareholders.

The Board shares the Investment Adviser's view that the issuance of the Preferred Stock is designed to benefit the common shareholders. To the extent that the Fund earns in excess of the dividend rate on the Preferred Stock, additional value will thereby be created for its common shareholders.

A portion of the distributions may be treated as long-term capital gains and qualified dividend income for individuals, each subject to the maximum federal income tax rate, which is currently 15% in taxable accounts for individuals. Long-term capital gains, qualified dividend income, and ordinary income, if any, will be allocated on a pro-rata basis to all distributions to preferred shareholders for the year. Based on the distribution allocations of the Fund as of December 31, 2009, the total distributions paid in 2009 would include 100% from net investment income. The estimated components of each distribution are provided to shareholders of record in a notice accompanying the distribution and are available on our website (www.gabelli.com). All shareholders with taxable accounts receive written notification regarding the components and tax treatment for all 2009 distributions in early 2010 via Form 1099-DIV.

www.gabelli.com

Please visit us on the Internet. Our homepage at www.gabelli.com contains information about GAMCO Investors, Inc., the Gabelli/GAMCO Mutual Funds, IRAs, 401(k)s, current and historical quarterly reports, closing prices, and other current news. We welcome your comments and questions via e-mail at closedend@gabelli.com.

You may sign up for our e-mail alerts at www.gabelli.com and receive early notice of quarterly report availability, news events, media sightings, and mutual fund prices and performance.

e-delivery

We are pleased to offer electronic delivery of Gabelli fund documents. Shareholders of our closed-end funds can now elect to receive e-mail announcements regarding available materials, including shareholder commentaries and fund reports. For more information or to register for e-delivery, please visit our website at www.gabelli.com.

Top Ten Holdings
December 31, 2009

Sinclair Broadcast Group Inc., Sub. Deb. Cv., 6.00%, 09/15/12
Griffon Corp., Cv., 4.00% 07/18/23 & 01/15/17
SanDisk Corp., Cv., 1.00%, 05/15/13
Great Atlantic & Pacific Tea Co. Inc., Cv., 5.125%, 06/15/11
IMS Health Inc.
Ferro Corp., Cv., 6.50%, 08/15/13
Standard Motor Products Inc., Sub. Deb. Cv., 15.00%, 04/15/11
Janus Capital Group Inc., Cv., 3.25%, 07/15/14
The Coca-Cola Co.
Wells Fargo & Co.

The Annual Meeting of The Gabelli Convertible and Income Securities Fund's shareholders will be held on Monday, May 17, 2010 at the Greenwich Library in Greenwich, Connecticut.

DIRECTORS AND OFFICERS
THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.
One Corporate Center, Rye, NY 10580-1422

Directors

Mario J. Gabelli, CFA
Chairman & Chief Executive Officer,
GAMCO Investors, Inc.

E. Val Cerutti
Chief Executive Officer,
Cerutti Consultants, Inc.

Anthony J. Colavita
President,
Anthony J. Colavita, P.C.

Dugald A. Fletcher
President, Fletcher & Company, Inc.

Anthony R. Pustorino
Certified Public Accountant,
Professor Emeritus, Pace University

Werner J. Roeder, MD
Medical Director,
Lawrence Hospital

Anthonie C. van Ekris
Chairman, BALMAC International, Inc.

Salvatore J. Zizza
Chairman, Zizza & Co., Ltd.

Officers

Bruce N. Alpert
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Peter D. Goldstein
Chief Compliance Officer

Laurissa M. Martire
Vice President & Ombudsman

Agnes Mullady
Treasurer & Secretary

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Custodian
State Street Bank and Trust Company

Counsel
Skadden, Arps, Slate, Meagher & Flom LLP

Transfer Agent and Registrar
Computershare Trust Company, N.A.

Stock Exchange Listing

	Common	6.00% Preferred
NYSE–Symbol:	GCV	GCV PrB
Shares Outstanding:	13,130,267	965,548

The Net Asset Value per share appears in the Publicly Traded Funds column, under the heading "Convertible Securities Funds," in Monday's The Wall Street Journal. It is also listed in Barron's Mutual Funds/Closed End Funds section under the heading "Convertible Securities Funds."

The Net Asset Value per share may be obtained each day by calling (914) 921-5070 or visiting www.gabelli.com.

For general information about the Gabelli Funds, call **800-GABELLI** (800-422-3554), fax us at 914-921-5118, visit Gabelli Funds' Internet homepage at: **www.gabelli.com,** or e-mail us at: closedend@gabelli.com

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940, as amended, that the Fund may, from time to time, purchase shares of its common stock in the open market when the Fund's shares are trading at a discount of 10% or more from the net asset value of the shares. The Fund may also, from time to time, purchase shares of its preferred stock in the open market when the preferred shares are trading at a discount to the liquidation value.

THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.

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