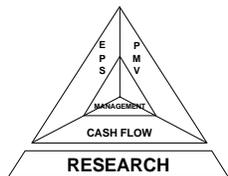


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GAMCO Investors, Inc.

For Immediate Release:
October 6, 2008

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GAMCO INVESTORS, INC. ANNOUNCES PRIVATE PLACEMENT OF \$60 MILLION CONVERTIBLE NOTE

Financing Expands Flexibility to Accelerate and Implement Strategic Alternatives

Rye, New York, October 6, 2008 – GAMCO Investors, Inc. (NYSE: GBL) announced today that it has agreed to sell a \$60 million convertible note in a private placement transaction to Cascade Investment, LLC. The ten-year note pays interest at 6.5% and provides the purchaser with certain put rights and an escrow agreement. The note is convertible into GBL Class A common stock at \$70 per share. The investment will enable the financing of a variety of global strategic initiatives with a particular focus on the alternative investments business.

As a result of this add-on investment, Cascade Investment LLC will own 18.9%, up from its current ownership of 10.4% of GAMCO Investors, Inc.'s Class A common stock, both on an as-converted basis. Mario J. Gabelli, Chairman and Chief Executive Officer, commented: "This investment together with our significant existing financial resources provides broad flexibility in pursuing our growth initiatives."

Karl Otto Pöhl, the former President of the Deutsche Bundesbank, Germany's central bank, and director emeritus of GAMCO Investors, Inc., added: "This investment, coupled with other options we are pursuing, are expected to greatly augment GAMCO's financial strength at a time when we are examining a variety of initiatives, including some in Europe. They range from investments in our proprietary hedge funds, to seeding our own fund of funds, joint ventures, and affiliations.

GAMCO Investors, Inc., through its subsidiaries, manages private advisory accounts (GAMCO Asset Management Inc.), mutual funds and closed-end funds (Gabelli Funds, LLC), and partnerships and offshore funds (Gabelli Securities, Inc.). As of June 30, 2008, GAMCO had approximately \$28.3 billion in assets under management.

SPECIAL NOTE REGARDING FORWARD-LOOKING INFORMATION

Our disclosure and analysis in this press release contain some forward-looking statements. Forward-looking statements give our current expectations or forecasts of future events. You can identify these statements because they do not relate strictly to historical or current facts. They use words such as "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," and other words and terms of similar meaning. They also appear in any discussion of future operating or financial performance. In particular, these include statements relating to future actions, future performance of our

products, expenses, the outcome of any legal proceedings, and financial results. Although we believe that we are basing our expectations and beliefs on reasonable assumptions within the bounds of what we currently know about our business and operations, there can be no assurance that our actual results will not differ materially from what we expect or believe. Some of the factors that could cause our actual results to differ from our expectations or beliefs include, without limitation: the adverse effect from a decline in the securities markets; a decline in the performance of our products; a general downturn in the economy; changes in government policy or regulation; changes in our ability to attract or retain key employees; and unforeseen costs and other effects related to legal proceedings or investigations of governmental and self-regulatory organizations. We also direct your attention to any more specific discussions of risk contained in our Form 10-K and other public filings. We are providing these statements as permitted by the Private Litigation Reform Act of 1995. We do not undertake to update publicly any forward-looking statements if we subsequently learn that we are unlikely to achieve our expectations or if we receive any additional information relating to the subject matters of our forward-looking statements.