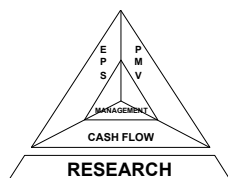


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Gabelli Funds, LLC

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DIVIDEND NOTICE

FOR IMMEDIATE RELEASE

Rye, New York
December 29, 2010

The **Gabelli Equity Income Fund** will pay the following monthly distributions:

<u>Share Class</u>	<u>Distribution Rate Per Share</u>	<u>Record Date</u>	<u>Ex-Dividend, Payment & Reinvestment Date</u>
Class AAA-Fund 444 (GABEX - Nasdaq)	\$0.03	December 28, 2010	December 29, 2010
Class A- Fund 1157 (GCAEX - Nasdaq)	\$0.03	December 28, 2010	December 29, 2010
Class B - Fund 1158 (GCBEX - Nasdaq)	\$0.03	December 28, 2010	December 29, 2010
Class C - Fund 1159 (GCCEX - Nasdaq)	\$0.03	December 28, 2010	December 29, 2010
Class I - Fund 1559 (GCIEX - Nasdaq)	\$0.03	December 28, 2010	December 29, 2010

The source of the distribution is net investment income, capital gains, and a return of capital. Based on current earnings on a book basis, approximately \$0.009 per share is from net investment income, \$0.013 per share is from capital gains, and \$0.008 per share is a return of capital. The distribution of capital should not be considered the dividend yield or total return of the Fund.

The final determination of the proportion of capital gains, ordinary income, and non-taxable return of capital, if any, distributed in 2010 will be made after year end. All taxable shareholders will receive written notification regarding the components and tax treatment for all 2010 distributions in early 2011 via Form 1099-DIV.

The Gabelli Equity Income Fund is managed by Gabelli Funds, LLC and distributed by Gabelli & Company, Inc., subsidiaries of GAMCO Investors, Inc. (NYSE: GBL).