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PRESS RELEASE

FOR IMMEDIATE RELEASE

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GABELLI EQUITY TRUST DECLARES THIRD QUARTER DISTRIBUTION OF \$0.20 PER SHARE AND REAFFIRMS ITS 10% DISTRIBUTION POLICY

Rye, NY -- The Board of Directors of The Gabelli Equity Trust Inc. (NYSE:GAB) (the "Fund") declared a \$0.20 per share cash distribution payable on September 24, 2008 to common stock shareholders of record on September 16, 2008, pursuant to the Gabelli Equity Trust's 10% Distribution Policy.

Under the Fund's distribution policy, the Fund pays a minimum annual distribution of 10% of the average net asset value of the Fund. The Fund's current quarterly distribution level is set at \$0.20 per share in each of the first three quarters of the year. The Fund pays an adjusting distribution in the fourth quarter of an amount sufficient to pay 10% of the average net asset value of the Fund, as of the last day of the four preceding calendar quarters, or to satisfy the minimum distribution requirements of the Internal Revenue Code, whichever is greater. Each quarter, the Board of Directors reviews the amount of any potential distribution and the income, capital gain, or capital available. The Fund's distribution policy is subject to modification by the Board of Directors at any time.

We note that 10% of the current average net asset value per share would be \$0.80 based on the ending net asset values per share for the previous three quarters, December 31, 2007, March 31, 2008 and June 30, 2008, of \$9.22, \$7.94, and \$7.45, respectively, and the net asset value per share on August 15, 2008 of \$7.57. The average net asset value per share is subject to change as of year-end.

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. 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.

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 accounting records of the Fund as of August 21, 2008, the date of this press release, each of the distributions paid in 2008 would include approximately 7% from net investment income, 12% from net capital gains, and 81% 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). The final determination of the sources of all distributions in 2008 will be made after year end and can vary from the quarterly estimates. All shareholders with taxable accounts will receive written notification regarding the components and tax treatment for all 2008 distributions in early 2009 via Form 1099-DIV.

The Gabelli Equity Trust Inc. is a non-diversified, closed-end management investment company with \$1.7 billion in total assets whose primary investment objective is long-term growth of capital. The Fund is managed by Gabelli Funds, LLC, a subsidiary of GAMCO Investors, Inc. (NYSE:GBL), which is a publicly traded NYSE listed company.