The Board of Directors of The Gabelli Equity Trust Inc. (NYSE: GAB) declared a $0.18 per share cash distribution payable on June 24, 2005 to common stock shareholders of record on June 16, 2005, pursuant to the Gabelli Equity Trust’s 10% Distribution Policy.

Under the Gabelli Equity Trust’s payout 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 for 2005 is set at $0.18 per share in each of the first three quarters of the year with 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 gains or capital available.

A portion of the distribution may be treated as long-term capital gain and qualifying 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, interest and net realized capital gains equal to or in excess of the aggregate distributions paid by the Fund for the year, then the amount distributed in excess of the Fund’s investment income and net realized capital gains will be deemed a non-taxable return of capital. Long-term capital gain, qualifying dividend income, ordinary income and non-taxable return of capital, if any, will be allocated on a pro-rata basis to all distributions to common shareholders for the year. The final determination of the source of all distributions in 2005 will be made after year-end.

The Gabelli Equity Trust Inc. is a non-diversified, closed-end management investment company with $1.6 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 Gabelli Asset Management Inc. (NYSE: GBL), which is a publicly traded NYSE listed company.