THE GABELLI EQUITY TRUST INC
FILES A REGISTRATION STATEMENT FOR PREFERRED STOCK

FOR IMMEDIATE RELEASE
Rye, NY
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NYSE - GAB
CUSIP - 362397101

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The Gabelli Equity Trust Inc. (NYSE - GAB) filed an initial registration statement with the Securities and Exchange Commission for an offering of auction rate and fixed rate preferred stock.

The actual amount of capital to be raised, the initial dividend rate(s) and the timing of the offering have not been determined and will be announced at a later date. The proceeds raised will be used for investment purposes. This announcement does not constitute an offering of any securities, which will be made only by means of a prospectus.

The filing of a registration statement for an offering of preferred stock provides an opportunity for the Fund to take advantage of the current, low interest rate environment. The Board of Directors shares the Investment Adviser's view that the issuance of the preferred stock can create additional value for the Fund's common shareholders so long as the Fund generates earnings in excess of the dividend rate on the preferred shares.

It should be noted that the Investment Adviser will not receive a management fee on the incremental assets raised unless the total return of the Fund to common shareholders during the year exceeds the dividend rate of the preferred stock, including the costs of any interest rate swap agreement the Fund may enter into to protect against short-term interest rate increases. The Investment Adviser believes this fee arrangement is in the best interests of all shareholders.

On May 15, 2003, The Gabelli Equity Trust Inc. announced the redemption of all (5,367,900 Shares) of its outstanding 7.25% Cumulative Preferred Stock. The redemption date is June 17, 2003 and the redemption price is $25.4078 per Preferred Share, which consists of $25.00 per Preferred Share plus accrued dividends through the redemption date of $0.4078 per Preferred Share.

The Gabelli Equity Trust Inc. is a closed-end, non-diversified management investment company with $1.4 billion in total assets whose primary objective is long term growth of capital. The Trust is managed by Gabelli Funds, LLC, a subsidiary of Gabelli Asset Management Inc. (GBL - NYSE), which is a publicly traded NYSE listed company.