

# The Gabelli Dividend & Income Trust

Shareholder Commentary – June 30, 2018

(Y)our Portfolio Management Team



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*Portfolio Manager*  
*BA, Harvard University*  
*MBA, Columbia Business School*



**Howard F. Ward, CFA**  
*Portfolio Manager*  
*BA, Northwestern University*

## -To Our Shareholders,

For the quarter ended June 30, 2018, the net asset value (“NAV”) total return of The Gabelli Dividend & Income Trust (the “Fund”) was 2.1%, compared with a total return of 3.4% for the Standard & Poor’s (“S&P”) 500 Index. The total return for the Fund’s publicly traded shares was 3.6%. The Fund’s NAV per share was \$23.95, while the price of the publicly traded shares closed at \$22.56 on the New York Stock Exchange (“NYSE”).

## Howard Ward Joins the Portfolio Management Team

Howard F. Ward, CFA was appointed to the investment team of the Fund effective June 1, 2018. Mr. Ward joined GAMCO Investors, Inc. in 1995 as Senior Vice President and Portfolio Manager of the GAMCO Growth Fund. He currently serves as GAMCO’s Chief Investment Officer of Growth Equities as well as a Gabelli Funds, LLC portfolio manager for several funds within the Gabelli/GAMCO Funds Complex. Mr. Ward is a Chartered Financial Analyst and a member of the New York Society of Security Analysts. He graduated from Northwestern University with a BA in Economics.

## Comparative Results

### Average Annual Returns through June 30, 2018 (a)

	<u>Quarter</u>	<u>1 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception (11/28/03)</u>
<b>Gabelli Dividend &amp; Income Trust</b>					
NAV Total Return (b) .....	2.14%	8.78%	9.29%	8.02%	8.12%
Investment Total Return (c) .....	3.58	9.58	10.76	10.00	8.19
S&P 500 Index .....	3.43	14.37	13.42	10.17	8.90
Dow Jones Industrial Average .....	1.26	16.26	12.89	10.73	9.12
Nasdaq Composite Index .....	6.61	23.71	18.61	13.96	10.91

(a) Returns represent past performance and do not guarantee future results. Investment returns and the principal value of an investment will fluctuate. When shares are sold, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Visit [www.gabelli.com](http://www.gabelli.com) for performance information as of the most recent month end. Performance returns for periods of less than one year are not annualized. Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The Dow Jones Industrial Average is an unmanaged index of 30 large capitalization stocks. The S&P 500 and the Nasdaq Composite Indices are unmanaged indicators of stock market performance. Dividends are considered reinvested except for the Nasdaq Composite Index. You cannot invest directly in an index.

(b) Total returns and average annual returns reflect changes in the NAV per share and reinvestment of distributions at NAV on the ex-dividend date and adjustment for the spin-off and are net of expenses. Since inception return is based on an initial NAV of \$19.06.

(c) Total returns and average annual returns reflect changes in closing market values on the NYSE, reinvestment of distributions and adjustment for the spin-off. Since inception return is based on an initial offering price of \$20.00.

## In Review

During the second quarter of 2018, the stock market continued its upward trajectory. With the exception of the first quarter of 2018, the U.S. stock market has been rising for many quarters. So far in 2018 the overall market, as measured by the S&P 500, is up over 2% on a total return basis. However, growth stocks have been leading the market, not only year-to-date but also over the past five years, as value stocks have lagged. So far this this year, value stocks, as measured by the S&P/Citigroup Value Index, are down over 2%. Many large cap, technology focused stocks have been driving the overall market, and account for most of the gains. Some of these stocks do not even pay a dividend, a component we like to see in our holdings. The good news is that, although value investing has been out of favor for many years now, we feel the market is poised to start favoring value stocks once again, and (y)our portfolio is well positioned to benefit when that rotation occurs.

We anticipate that both earnings growth and deal activity will accelerate in 2018. We expect that earnings for the S&P 500 will be up by more than 10% in 2018, driven by fiscal stimulus, tax cuts, less regulation, and a favorable business climate. Deal activity should also increase in 2018, driven by large cash holdings on the balance sheet of corporate America, a stable regulatory environment, and modest interest rates.

## **The Economy**

The U.S. economy grew at an impressive rate of almost 3.0% in real terms during 2017, and we expect that the economy will continue to grow by at least 3.0% during 2018. Inflation, as measured by the Consumer Price Index, has begun to move up slightly, and we expect that it will hover just above 2% for 2018, a level that central bankers should be comfortable with as they gradually raise short term rates. The unemployment rate, still hovering around 4%, stands at a ten year low. Housing starts of about 1.3 million units continue their steady increase, but remain comfortably below the prior peak of 2.2 million units.

According to the National Bureau of Economic Research, the current U.S. economic expansion has been going on since June 2009, making this the second longest economic expansion since the Civil War, beating the 106 month expansion of the 1960s. The longest economic expansion was from 1991-2001; we will have to wait just one more year to see if we can beat that record.

## **The State of Washington**

Since late 2017, a rising stock market was based on a “Trump Bump”, consisting of (a) tax reform, (b) deregulation, and (c) fiscal stimulus. The Trump administration has delivered on all of these objectives. Fiscal stimulus is being fueled by rising military spending, and the administration would also like to increase infrastructure spending. The new tax bill, which lowers the Federal corporate tax rate to 21%, will make U.S. corporate taxes very competitive with other developed countries, which is a major positive for the U.S economy and the U.S stock market. (Y)our portfolio is well positioned to capture the benefits of the lower corporate taxes, as it includes a disproportionate weighting of smaller and mid-size U.S firms, who previously were paying higher effective rates and whose revenues are centered on domestic operations. Many individuals will see lower taxes with reduced rates and an increased standard deduction, although higher income households in higher state and local tax (SALT) geographies could see an increase. Deregulation in the Energy, Financial, and Media/Telecom sectors has already unleashed corporate animal spirits. We expect more deregulation to come from this administration.

## **The State of the Fed**

Notwithstanding excitement about potential tax windfalls, the most powerful market force coming out of Washington during the past decade has come from the Federal Reserve. Through open market activity and three rounds of quantitative easing (QE), the Fed slashed short term interest rates from 4.5% before the 2008-2009 financial crisis to nearly zero, lifting asset prices everywhere. The Fed began tapping the brakes by tapering QE in October 2014 and has now raised rates seven times, the latest taking the Fed Funds rate to a range of 1.75% - 2.0%. Current expectations are for an additional rate increase in 2018 and maybe three in 2019, which would ratchet the Fed Funds rate to 3.0%. Newly appointed Fed Chair Jerome H. (“Jay”) Powell, a centrist and former banker, will likely be comfortable following this path.

Over the long term, the Fed's "normalization" of rates is healthy for the economy, but the timing of this process has been the subject of debate, given a lack of meaningful inflation. The last two rate hike cycles ended in market dislocations in 2001 and 2007, but the circumstances in each was very different from today. A future recession may be unavoidable, but it need not be triggered by the Fed anytime soon. What is clear, however, is that monetary policy has gone from being a tailwind to being a headwind for the economy and the market.

## **Dividends**

Dividends are an important element in the historical returns of stocks. They provide current income and a growing income stream over time. During the second quarter of 2018, U.S. companies continued to increase their dividends and the dividend payout ratio stood at about 39%. At the end of the quarter, the dividend yield on the S&P 500 was approximately 1.9%, while the 10 year U.S. Treasury yielded just over 2.8%.

## **Investment Scorecard**

During the second quarter of 2018, the S&P 500 Index was up about 3.4% on a total return basis. Of the eleven sectors that make up the S&P 500 most were up, with the exception of four sectors. Telecom was down 0.9%, Staples was down 1.5%, and the Financial and Industrial sectors were each down 3.2%. The best performing sector was Energy, up 13.5%, followed by Consumer Discretionary, up 8.2%.

Stocks that helped Fund performance the most during the second quarter include Merck, Phillips 66, and Anadarko Petroleum. Merck is a global pharmaceutical company engaged in research and new drug development, with potential in oncology products. During the second quarter, trial results for Merck's Keytruda showed improved survival in certain lung cancer patients. Both Phillips 66 and Anadarko Petroleum are energy companies, which benefited from rising oil prices. All three of the companies were up over 10% during the second quarter.

Among the worst performing stocks in the Fund during the second quarter were Hewlett-Packard, Legg Mason, and PNC, each of which was down more than 10%.

Hewlett-Packard is a provider of technology solutions. During the quarter, the company reported results that were generally in line with expectations, but cash flow disappointed, putting pressure on the stock. Legg Mason is an asset management firm, and PNC is a regional bank. Both companies are part of the broader financial sector, which was down during the quarter, partly on concerns of a flattening yield curve.

## **Let's Talk Stocks**

The following are stock specifics on selected holdings of our Fund. Favorable earnings prospects do not necessarily translate into higher stock prices, but they do express a positive trend that we believe will develop over time. Individual securities mentioned are not necessarily representative of the entire portfolio. For the following holdings, the share prices are listed first in United States dollars (USD) and second in the local currency, where applicable, and are presented as of June 30, 2018.

*American Express Co. (AXP – \$98.00 – NYSE)* is the largest closed loop credit card company in the world. The company operates its eponymous premiere branded payment network and lends to its largely affluent customer base. American Express has 113 million cards in force and nearly \$70 billion in loans, while its customers charged over a \$1.1 trillion of spending on their cards in 2017. The company's strong consumer brand has allowed American Express to enter the deposit gathering market as an alternate source of funding, while the company's affluent customers have picked up spending. Longer term, American Express should capitalize on its higher spending customer base and continue to expand into other payment related businesses, such as corporate purchasing, while also growing in emerging markets. Similarly, the company is looking at the growing success of social media as an opportunity to expand its product base and payment options.

*The Bank of New York Mellon Corp. (BK – \$53.93 – NYSE)* is a global leader in providing financial services to institutions and individuals. The company operates in more than one hundred markets worldwide and strives to be the global provider of choice for investment management and investment services. As of June 30, 2018, the firm had \$33.6 trillion in assets under custody and \$1.9 trillion in assets under management. Going forward, we expect BK to benefit from rising global incomes and the cross border movement of financial transactions. We believe BK is also well positioned to grow earnings in a rising interest rate environment, given its large customer cash deposits and significant loan book.

*DowDuPont Inc. (DWDP – \$65.92 – NYSE)* is the company formed following the merger of Dow Chemical (DOW) and DuPont de Nemours (DD). The merger closed on 8/31/17 and the new company, DowDuPont, started trading on 9/1/17 under the ticker DWDP at approximately \$67/share. The combined entity expects to generate \$3.3 billion in cost synergies (an increase from estimates of \$3.0 billion pre-merger), \$1 billion in growth synergies, and will pursue a tax-free separation into three independent companies. DWDP generated \$300 million in cost synergy savings in Q1 2018; management expects to reach 75% of the \$3.3 billion by the end of Q3 2018, and has raised full year's savings target to \$1.2 billion. Materials Science should be separated by the end of Q1 2019, followed by Specialty Products and Agriculture before the end of June 2019. The proposed portfolio for each entity should enhance the competitive advantage, value creation, and growth (for the Specialty Products division in particular). The Agriculture Division will be named Corteva Agriscience; having generated revenues of \$14 billion and EBITDA of \$2.6 billion in 2017, it will have a balanced seed and crop protection portfolio and a strong pipeline of new products. While volume and revenues were negatively impacted by a weather-related delayed start to the Northern Hemisphere and Brazil 's growing seasons, strong Q2 results should partially offset Q1 decline, which was driven by a 34% drop in seed sales. The Materials Science Division will retain the Dow name. With pro forma revenues of \$44 billion and EBITDA of \$9.1 billion in 2017, it will be leveraging its integration and innovation strengths and focus on three high growth verticals: packaging, infrastructure, and consumer care. Q1 revenues grew 17% yoy, and EBITDA margin expanded by 100 basis points. The Specialty Products Division will become the new DuPont; with \$21 billion of pro forma revenues and \$5.3 billion of 2017 EBITDA, it will focus on technology-driven specialty businesses with highly differentiated products and solutions emphasizing customer collaboration. The four segments benefited from volume gain in Q1, and EBITDA margin jumped by 310 basis points. Overall, Q1 2018 revenues increased 5%,

EBITDA +6%, and EPS +7%. Management maintained previous 2018 expectations: revenue growth of “up mid-single digits,” or \$83 billion, and EPS of “up mid-to-high teens,” or \$3.95- \$4.05.

*Genuine Parts Co. (GPC – \$91.79 – NYSE)* is an Atlanta, Georgia-based distributor of automotive and industrial replacement parts and electrical and electronic components. We expect GPC’s well known NAPA Auto Parts group to benefit as an aged vehicle population, which includes the highest percentage of off warranty vehicles in history, helps drive sales of automotive aftermarket products over the next several years. Additionally, economic indicators remain supportive of the company’s industrial and electrical parts distribution businesses amid steady economic expansion. Finally, GPC’s management has shown consistent dedication to shareholder value via share repurchases and dividend increases, and most recently announced its intention to spin its Office Products division and merge it with Essendant in a Reverse Morris Trust transaction.

*Honeywell International Inc. (HON – \$144.05 – NYSE)* operates as a diversified technology company with highly engineered products, including turbine propulsion engines, auxiliary power units, turbochargers, brake pads, environmental and combustion controls, sensors, security and life safety products, resins and chemicals, nuclear services, and process technology for the petrochemical and refining industries. One of the key drivers of HON’s growth is acquisitions that increase the company’s growth profile globally, creating both organic and inorganic opportunities. The company recently announced its plan to spin-off its Homes product portfolio and ADI Global Distribution businesses as well as its Transportation Systems business into two publicly traded companies.

*JP Morgan Chase & Co. (JPM – \$104.20 – NYSE)* is one of the oldest financial institutions in the U.S. The firm, with assets of over \$2.5 trillion, provides services to millions of consumers, small businesses, and many of the world’s largest corporate, institutional, and government clients. The bank is divided into several reporting segments, including investment banking, commercial banking, financial transaction processing, asset management, and private equity. CEO Jamie Dimon is well regarded among corporate leaders, and he has positioned the company for future growth, despite the recent challenges related to the financial crisis, increased regulations, and low interest rates.

*Mondelēz International Inc. (MDLZ – \$41.00 – NASDAQ)*, headquartered in Deerfield, Illinois, is the renamed Kraft Foods Inc. following the tax-free spin-off to shareholders of the North American grocery business on October 1, 2012. On July 2, 2015 Mondelez combined its coffee business with D.E Master Blenders 1753 to form a new coffee company, Jacobs Douwe Egberts. Subsequently, MDLZ exchanged part of its stake in this coffee joint venture for 24% ownership in Keurig Green Mountain, which was acquired by an investor group led by JAB Holding Co. in March 2016 and most recently merged with Dr.Pepper Snapple Group, in which Mondelez will have a nearly 14% equity stake. This narrowed the company’s product focus, as nearly 85% of Mondelēz’s \$26 billion of revenue is derived from snacking across leading brands such as Oreo, LU, and Ritz biscuits, Trident gum, and Cadbury and Milka chocolates. The company continues to execute its plan to accelerate growth and to improve margins, targeting 17% in 2018. In November 2017, CEO Irene Rosenfeld was succeeded by Dirk Van de Put, who joined the company after eight years as CEO of McCain Foods.

*Textron Inc. (TXT – \$65.91 – NYSE)*, based in Providence, Rhode Island, manufactures Cessna light and medium business jets and Beechcraft turboprops in its Textron Aviation segment, Bell commercial and military helicopters, including the V-22, in its Bell segment, unmanned aircraft and other military equipment in its Textron systems segment, and specialized vehicles and auto parts in its industrial segment. The business jet market is finally coming out of a ten year trough, thanks to a strong economy and the benefits of tax reform, namely accelerated depreciation. Textron enjoys a near duopoly in light and medium business jets alongside Embraer and a now much smaller Bombardier. In its Bell business, Textron is introducing new commercial helicopters and has the lead design for the next generation tiltrotor aircraft in its V-280, which could be a game changer for the company next decade. Textron's AT-6 aircraft is competing for a potential sizable Light Attack Contract with the U.S. Air Force, while its Scorpion military Jet is pursuing international launch customers. Led by an exceptional management team, Textron has shown itself to be a good operator and strategic acquirer.

*Verizon Communications Inc. (VZ – \$50.31 – NYSE)* is one of the world's leading telecommunications services companies. Its wholly-owned subsidiary, Verizon Wireless (VZW), is the largest mobile operator in the United States, with over 116 million retail customers. In April 2018, Verizon reported stronger than expected 1Q revenues and Adjusted EBITDA and reiterated 2018 guidance. The company is a beneficiary of the Tax Cuts and Jobs Act. VZ estimates savings from tax reform to generate net \$3.5-\$4.0 billion uplift to cash flow from operations. The incremental cash flow will be used primarily to strengthen the company's balance sheet. In late November 2017, VZ announced that it plans to launch 5G residential broadband services (via fixed wireless) in up to five markets, including Sacramento and Los Angeles, in 2018 (expected to be followed by a broader rollout in 2019). The above commercial launch will be powered by millimeter-wave spectrum. Verizon estimates the market opportunity for initial 5G residential broadband services to be ~30 million households. VZ expects its capital expenditures for 2018 to be in the range of \$17.0-\$17.8 billion, including commercial launch of 5G. In June 2018, the company announced a CEO succession plan. Hans Vestberg, EVP, President of Global Networks, and CTO of Verizon, will succeed Lowell McAdam as CEO, effective August 1, 2018. Vestberg joined VZ in April 2017 after spending the bulk of his career with Ericsson (including a CFO position, and, ultimately, CEO role from 2010-2016).

*Xylem Inc. (XYL – \$67.38 – NYSE)* is a global leader in the design, manufacturing, and application of highly engineered technologies for the transportation, treatment, measurement, and testing of water. The company is expected to benefit from favorable long term fundamentals in the water industry, driven by scarcity, population growth, aging of the infrastructure, and the need to improve water quality. Further, with a large installed base of pumps and systems, the company is well positioned to increase aftermarket revenue, which currently represents roughly 40% of total revenues. XYL expects to generate mid-teens earnings per share growth through 2020 as it accelerates its capital deployment strategy globally. The company is currently building out its infrastructure analytics capabilities as it integrates companies it has acquired in the past several years, such as Sensus, Hypack, and Pure Technologies.

## Conclusion

While change is constant, the fundamental underpinnings of common stock value investing remain unchanged. Our stock selection process is based on the investment principles first articulated in 1934 by the fathers of security analysis, Benjamin Graham and David Dodd. Their work provided the framework for value investing. Our firm contributed to the academic and empirical research on value investing by introducing the concept of Private Market Value (PMV) with a Catalyst™. This is our proprietary research methodology that focuses on individual stock selection by identifying stocks of firms selling at a discount to intrinsic value per share with a reasonable probability of realizing their PMVs. We define PMV as the price a strategic acquirer would likely be willing to pay for the entire enterprise. Catalysts are specific events or circumstances with varying time horizons that can trigger a narrowing of the difference between the market price of a stock and its estimated PMV per share. Price appreciation can occur instantly, as in the case in an announced takeover, or more gradually over time. There are a variety of catalysts that can cause change. Some general categories include: company specific, industry, regulatory, demographic, political, and economic. We continue to find good value in many companies that have some combination of long term growth prospects, strong cash flow generation, and good balance sheets, as well as shareholder friendly management teams. We thank you for your investment in the Fund, and we look forward to serving you in the future.

July 20, 2018

### Top Ten Holdings June 30, 2018

JPMorgan Chase & Co.	Mastercard Inc.
The Bank of New York Mellon Corp.	Wells Fargo & Co.
Honeywell International Inc.	Mondelez International Inc.
American Express Co.	Verizon Communications Inc.
Swedish Match AB	Davide Campari-Milano SpA

**Note:** The views expressed in this Shareholder Commentary reflect those of the Portfolio Managers only through the end of the period stated in this Shareholder Commentary. The Portfolio Managers' views are subject to change at any time based on market and other conditions. The information in this Shareholder Commentary represents the opinions of the individual Portfolio Managers and is not intended to be a forecast of future events, a guarantee of future results, or investment advice. Views expressed are those of the Portfolio Managers and may differ from those of other portfolio managers or of the Firm as a whole. This Shareholder Commentary does not constitute an offer of any transaction in any securities. Any recommendation contained herein may not be suitable for all investors. Information contained in this Shareholder Commentary has been obtained from sources we believe to be reliable, but cannot be guaranteed. Beneficial ownership of shares held in the Fund by Mr. Gabelli and various entities he is deemed to control are disclosed in the Fund's annual proxy statement.



## **Common Share Repurchase Plan**

On May 12, 2004, the Board of Trustees of the Fund (the "Board") voted to authorize the repurchase of the Fund's common shares in the open market from time to time when such shares are trading at a discount of 7.5% or more from NAV. In total through June 30, 2018, the Fund has repurchased and retired 2,630,779 common shares in the open market under this share repurchase plan, at an average investment of \$16.65 per share and an average discount of approximately 14% from its NAV. The Fund did not repurchase shares in the second quarter of 2018.

## **Monthly Distribution Policy for Common Shareholders**

Pursuant to its distribution policy, the Fund paid \$0.11 per share cash distributions on April 23, 2018, May 23, 2018, and June 22, 2018 to common shareholders of record on April 16, 2018, May 16, 2018, and June 15, 2018, respectively, for a total distribution of \$0.33 per share during the second quarter of 2018.

Under the Fund's distribution policy, the Fund intends to pay a fixed monthly cash distribution and, if necessary, an adjusting distribution in December which includes any additional income and realized net capital gains in excess of the monthly distributions for that year to satisfy the minimum distribution requirements of the Internal Revenue Code.

Each quarter, the Board reviews the amount of any potential distribution from the income, capital gain, or capital available. The Board will continue to monitor the Fund's distribution level, taking into consideration the Fund's net asset value and the financial market environment. The Fund's distribution policy is subject to modification by the Board at any time. The distribution rate should not be considered the dividend yield or total return on an investment in the Fund.

If the Fund does not generate sufficient earnings (dividends and interest income and realized net capital gain) 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 earnings would be deemed a return of capital. Since this would be considered a return of a portion of a shareholder's original investment, it is generally not taxable and is treated as a reduction in the shareholder's cost basis. Despite the challenges of the extra recordkeeping, a distribution that incorporates a return of capital serves as a smoothing mechanism resulting in a more stable and consistent cash flow available to shareholders.

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 currently available, each of the distributions paid to common shareholders in 2018 would include approximately 21% from net investment income and 79% from net capital gains on a book basis. This does not currently represent information for tax reporting purposes. The estimated components of each distribution are updated and provided to shareholders of record in a notice accompanying the distribution and are available on our website ([www.gabelli.com](http://www.gabelli.com)). Shareholders should not draw any conclusions about the Fund's investment performance from the amount of the current distribution. The final determination of the sources of all distributions in 2018 will be made after year end and can vary from the monthly estimates. All shareholders with taxable accounts will receive written notification regarding the components and tax treatment for all 2018 distributions in early 2019 via Form 1099-DIV.

### **Partial Redemption – 6.00% Series D Cumulative Preferred Shares**

The Fund redeemed one half (1,271,148 shares) of its outstanding 6.00% Series D Cumulative Preferred Shares (the “Series D Preferred Shares”) on June 8, 2018. The shares were redeemed at \$25.30 per Series D Preferred Share (the “Redemption Price”), consisting of \$25.00 per Series D Preferred Share (the liquidation preference) plus accumulated and unpaid dividends through the redemption date. From and after the redemption date, these Series D Preferred Shares were no longer deemed outstanding, dividends ceased to accumulate and all the rights of the Series D Preferred shareholders with respect to the redeemed Series D Preferred Shares ceased.

### **5.875% Series A, 6.00% Series D, and 5.25% Series G Cumulative Preferred Shares**

The Fund’s 5.875% Series A, 6.00% Series D, and 5.25% Series G Cumulative Preferred Shares paid \$0.3671875, \$0.375, and \$0.328125 per share cash distributions, respectively, on June 26, 2018, to preferred shareholders of record on June 19, 2018. These Preferred Shares, which trade on the NYSE under the symbols “GDV Pr A,” “GDV Pr D,” and “GDV Pr G,” respectively, are rated “Aa3” by Moody’s Investors Service and have annual dividend rates of \$1.46875, \$1.50, and \$1.3125 per share, respectively. The Series A, Series D, and Series G Preferred Shares were issued on October 12, 2004, November 3, 2005, and July 1, 2016, respectively, at \$25.00 per share, and pay distributions quarterly. After five years of call protection, the Series A and Series D Preferred Shares became callable at any time at the liquidation value of \$25.00 per share plus accrued dividends. The Series G Preferred Shares will be callable at any time at the liquidation value of \$25.00 per share plus accrued dividends following the expiration of the five year call protection on July 1, 2021. The next distributions are scheduled for September 2018. The Fund is authorized to repurchase these Preferred Shares in the open market from time to time when such shares are trading at a discount to the liquidation value of \$25.00 per share. In total through June 30, 2018, the Fund has repurchased and retired 151,981 Series A and 57,704 Series D Preferred Shares in the open market under this share repurchase authorization. The Fund did not repurchase any of these Preferred Shares during the second quarter of 2018.

### **Series B, Series C, and Series E Auction Market/Rate Cumulative Preferred Shares**

During the second quarter of 2018, the dividend rates for the Series B and Series C Auction Market and Series E Auction Rate Cumulative Preferred Shares ranged from 3.239% to 3.487%, 3.240% to 3.482%, and 4.348% to 4.953%, respectively. Dividend rates for the Series B, Series C, and Series E Preferred Shares may be reset every seven days based on the results of an auction. Since February 2008, the number of Series B, Series C, and Series E Preferred Shares subject to bid orders by potential holders has been less than the number of sell orders. Therefore the weekly auctions have failed, and the holders have not been able to sell any or all of the Series B, Series C, and Series E Preferred Shares for which they submitted sell orders. The dividend rate since then has been the maximum rate. At June 30, 2018, the maximum rate for Series B and Series C Preferred Shares was 150 basis points greater than the seven day Telerate/British Bankers Association LIBOR and for Series E Preferred Shares was 250% of the referenced LIBOR rate. The Series B, Series C, and Series E Preferred Shares are rated “Aa3” by Moody’s Investors Service and “AA” by Fitch Ratings. The Series B, Series C, and Series E Preferred Shares do not trade on an exchange. The Fund was authorized to issue 4,000 Series B and 4,800 Series C Preferred Shares on October 12, 2004, and 5,400

Series E Preferred Shares on November 3, 2005 at \$25,000 per share. As of June 30, 2018, 3,600, 4,320, and 4,860 Series B, Series C, and Series E Preferred Shares, respectively, were outstanding.

The Board shares the view of Gabelli Funds, LLC (the “Investment Adviser”) that the issuance of the Preferred Shares is designed to benefit the common shareholders. To the extent that the Fund earns in excess of the dividend rate on the Preferred Shares, additional value will thereby be created for its common shareholders.

Long term capital gains, qualified dividend income and ordinary income, if any, will be allocated on a pro-rata basis to all distributions to preferred shareholders for the year. Based on the accounting records of the Fund currently available, each of the distributions paid to preferred shareholders in 2018 would include approximately 21% from net investment income and 79% from net capital gains on a book basis. This does not currently represent information for tax reporting purposes. The estimated components of each distribution are updated and provided to shareholders of record in a notice accompanying the distribution and are available on our website ([www.gabelli.com](http://www.gabelli.com)). The final determination of the sources of all distributions in 2018 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 2018 distributions in early 2019 via Form 1099-DIV.

### **Tax Treatment of Distributions to Common and Preferred Shareholders**

All or part of the distributions may be treated as long term capital gain or qualified dividend income (or a combination of both) for individuals, each subject to the maximum federal income tax rate, which is currently 20% in taxable accounts for individuals. In addition, certain U.S. shareholders who are individuals, estates, or trusts and whose income exceeds certain thresholds will be required to pay a 3.8% Medicare surcharge on their “net investment income,” which includes dividends received from the Fund and capital gains from the sale or other disposition of shares of the Fund.

### **[www.gabelli.com](http://www.gabelli.com)**

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You may sign up for our e-mail alerts at [www.gabelli.com](http://www.gabelli.com) and receive notice of quarterly report availability, news events, media sightings, and mutual fund prices and performance.

### **e-delivery**

We are pleased to offer electronic delivery of Gabelli fund documents. Shareholders of our closed-end funds can now elect to receive e-mail announcements regarding available materials, including shareholder commentaries and Fund reports. For more information or to register for e-delivery, please visit our website at [www.gabelli.com](http://www.gabelli.com).

## **AUTOMATIC DIVIDEND REINVESTMENT AND VOLUNTARY CASH PURCHASE PLANS**

### **Enrollment in the Plan**

It is the policy of The Gabelli Dividend & Income Trust (the “Fund”) to automatically reinvest dividends payable to common shareholders. As a “registered” shareholder you automatically become a participant in the Fund’s Automatic Dividend Reinvestment Plan (the “Plan”). The Plan authorizes the Fund to credit common shares to participants upon an income dividend or a capital gains distribution regardless of whether the shares are trading at a discount or a premium to net asset value. All distributions to shareholders whose shares are registered in their own names will be automatically reinvested pursuant to the Plan in additional shares of the Fund. Plan participants may send their common shares certificates to Computershare Trust Company, N.A. (“Computershare”) to be held in their dividend reinvestment account. Registered shareholders wishing to receive their distributions in cash must submit this request in writing to:

The Gabelli Dividend & Income Trust  
c/o Computershare  
P.O. Box 505000  
Louisville, KY 40233

Shareholders requesting this cash election must include the shareholder’s name and address as they appear on the Fund’s records. Shareholders with additional questions regarding the Plan or requesting a copy of the terms of the Plan, may contact Computershare at (800) 336-6983.

If your shares are held in the name of a broker, bank, or nominee, you should contact such institution. If such institution is not participating in the Plan, your account will be credited with a cash dividend. In order to participate in the Plan through such institution, it may be necessary for you to have your shares taken out of “street name” and re-registered in your own name. Once registered in your own name your distributions will be automatically reinvested. Certain brokers participate in the Plan. Shareholders holding shares in “street name” at participating institutions will have dividends automatically reinvested. Shareholders wishing a cash dividend at such institution must contact their broker to make this change.

The number of shares of common shares distributed to participants in the Plan in lieu of cash dividends is determined in the following manner. Under the Plan, whenever the market price of the Fund’s common shares is equal to or exceeds net asset value at the time shares are valued for purposes of determining the number of shares equivalent to the cash dividends or capital gains distribution, participants are issued shares of common shares valued at the greater of (i) the net asset value as most recently determined or (ii) 95% of the then current market price of the Fund’s common shares. The valuation date is the dividend or distribution payment date or, if that date is not a New York Stock Exchange (“NYSE”) trading day, the next trading day. If the net asset value of the common shares at the time of valuation exceeds the market price of the common shares, participants will receive shares from the Fund valued at market price. If the Fund should declare a dividend or capital gains distribution payable only in cash, Computershare will buy shares of common shares in the open market, or on the NYSE or elsewhere, for the participants’ accounts, except that Computershare will endeavor to terminate purchases in the open market and cause the Fund to issue shares at net asset value if, following the commencement of such purchases, the market value of the common shares exceeds the then current net asset value.

The automatic reinvestment of dividends and capital gains distributions will not relieve participants of any income tax which may be payable on such distributions. A participant in the Plan will be treated for federal income tax purposes as having received, on a dividend payment date, a dividend or distribution in an amount equal to the cash the participant could have received instead of shares.

### **Voluntary Cash Purchase Plan**

The Voluntary Cash Purchase Plan is yet another vehicle for our shareholders to increase their investment in the Fund. In order to participate in the Voluntary Cash Purchase Plan, shareholders must have their shares registered in their own name.

Participants in the Voluntary Cash Purchase Plan have the option of making additional cash payments to Computershare for investments in the Fund's common shares at the then current market price. Shareholders may send an amount from \$250 to \$10,000. Computershare will use these funds to purchase shares in the open market on or about the 1st and 15th of each month. Computershare will charge each shareholder who participates \$0.75, plus a pro rata share of the brokerage commissions. Brokerage charges for such purchases are expected to be less than the usual brokerage charge for such transactions. It is suggested that any voluntary cash payments be sent to Computershare, P.O. Box 505000, Louisville, KY 40233 such that Computershare receives such payments approximately 10 days before the 1st and 15th of the month. Funds not received at least five days before the investment date shall be held for investment until the next purchase date. A payment may be withdrawn without charge if notice is received by Computershare at least 48 hours before such payment is to be invested.

*Shareholders wishing to liquidate shares held at Computershare* must do so in writing or by telephone. Please submit your request to the above mentioned address or telephone number. Include in your request your name, address, and account number. The cost to liquidate shares is \$2.50 per transaction as well as the brokerage commission incurred. Brokerage charges are expected to be less than the usual brokerage charge for such transactions.

More information regarding the Automatic Dividend Reinvestment Plan and Voluntary Cash Purchase Plan is available by calling (914) 921-5070 or by writing directly to the Fund.

The Fund reserves the right to amend or terminate the Plan as applied to any voluntary cash payments made and any dividend or distribution paid subsequent to written notice of the change sent to the members of the Plan at least 90 days before the record date for such dividend or distribution. The Plan also may be amended or terminated by Computershare on at least 90 days written notice to participants in the Plan.

We have separated the portfolio managers' commentary from the financial statements and investment portfolio due to corporate governance regulations stipulated by the Sarbanes-Oxley Act of 2002. We have done this to ensure that the content of the portfolio managers' commentary is unrestricted. The financial statements and investment portfolio are mailed separately from the commentary. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at [www.gabelli.com](http://www.gabelli.com).

The Net Asset Value per share appears in the Publicly Traded Funds column, under the heading "General Equity Funds," in Monday's The Wall Street Journal. It is also listed in Barron's Mutual Funds/Closed End Funds section under the heading "General Equity Funds."

The Net Asset Value per share may be obtained each day by calling (914) 921-5070 or visiting [www.gabelli.com](http://www.gabelli.com).

The NASDAQ symbol for the Net Asset Value per share is "XGDVX."

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940, as amended, that the Fund may from time to time purchase its common shares in the open market when the Fund's shares are trading at a discount of 7.5% or more from the net asset value of the shares. The Fund may also from time to time purchase its preferred shares in the open market when the preferred shares are trading at a discount to the liquidation value.

**This report is printed on recycled paper.**

## THE GABELLI DIVIDEND & INCOME TRUST

One Corporate Center

Rye, NY 10580-1422

### Portfolio Management Team Biographies

**Mario J. Gabelli, CFA**, is Chairman, Chief Executive Officer, and Chief Investment Officer –Value Portfolios of GAMCO Investors, Inc. that he founded in 1977, and Chief Investment Officer – Value Portfolios of Gabelli Funds, LLC and GAMCO Asset Management Inc. He is also Executive Chairman of the Board of Directors of Associated Capital Group, Inc. Mr. Gabelli is a summa cum laude graduate of Fordham University and holds an MBA degree from Columbia Business School, and Honorary Doctorates from Fordham University and Roger Williams University.

**Sarah Donnelly** joined Gabelli in 1999 as a junior research analyst working with the consumer staples and media analysts. Currently she is a Portfolio Manager of Gabelli Funds, LLC, a Senior Vice President and the Food, Household and Personal Care products research analyst for Gabelli & Company. In 2013, she was named the Health & Wellness research platform leader. Ms. Donnelly received a B.S. in Business Administration with a concentration in Finance and minor in History from Fordham University.

**Kevin V. Dreyer** joined Gabelli in 2005 as a research analyst covering companies within the consumer sector. Currently he is a Managing Director and Co-Chief Investment Officer for GAMCO Investors, Inc.'s Value team. In addition, he currently serves as a portfolio manager of Gabelli Funds, LLC and manages several funds within the Gabelli/GAMCO Funds Complex. Mr. Dreyer received a BSE from the University of Pennsylvania and an MBA from Columbia Business School.

**Jeffrey J. Jonas, CFA**, joined Gabelli in 2003 as a research analyst focusing on companies across the health care industry. In 2006 he began serving as a portfolio manager of Gabelli Funds, LLC and manages several funds within the Gabelli/GAMCO Funds Complex. Mr. Jonas was a Presidential Scholar at Boston College, where he received a BS in Finance and Management Information Systems.

**Robert D. Leininger, CFA**, joined GAMCO Investors, Inc. in 1993 as an equity analyst. Subsequently, he was a partner and portfolio manager at Rorer Asset Management before rejoining GAMCO in 2010 where he currently serves as a portfolio manager of Gabelli Funds, LLC. Mr. Leininger is a magna cum laude graduate of Amherst College with a degree in Economics and holds an MBA from the Wharton School at the University of Pennsylvania.

**Christopher J. Marangi** joined Gabelli in 2003 as a research analyst. Currently he is a Managing Director and Co-Chief Investment Officer for GAMCO Investors, Inc.'s Value team. In addition, he currently serves as a portfolio manager of Gabelli Funds, LLC and manages several funds within the Gabelli/GAMCO Funds Complex. Mr. Marangi graduated magna cum laude and Phi Beta Kappa with a BA in Political Economy from Williams College and holds an MBA with honors from Columbia Business School.

**Regina M. Pitaro** joined GAMCO Investors, Inc. in 1984 and is currently a Managing Director and Head of Institutional Marketing, where she continues to coordinate the organization's focus with consultants and plan sponsors. She also serves as a Managing Director and Director of GAMCO Asset Management, Inc. Ms. Pitaro holds an M.B.A. in Finance from Columbia Business School, a M.A. in Anthropology from Loyola University of Chicago, and a B.A. in Anthropology from Fordham University.

**Brian C. Sponheimer** joined Gabelli in 2008 as a research analyst covering automotive and trucking companies. Currently he is a Senior Vice President of Associated Capital Group, Inc., a portfolio manager of Gabelli Funds, LLC, and is responsible for oversight of G.research, Inc.'s Industrial Research platform. Mr. Sponheimer graduated cum laude from Harvard University with a BA in Government, and received an MBA in Finance and Economics from Columbia Business School.

**Howard F. Ward, CFA**, joined GAMCO Investors, Inc. in 1995 as Senior Vice President and Portfolio Manager of the GAMCO Growth Fund. He currently serves as GAMCO's Chief Investment Officer of Growth Equities as well as a Gabelli Funds, LLC portfolio manager for several funds within the Gabelli/GAMCO Funds Complex. Mr. Ward is a Chartered Financial Analyst and a member of the New York Society of Security Analysts. He graduated from Northwestern University with a BA in Economics.

## THE GABELLI DIVIDEND & INCOME TRUST

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### TRUSTEES

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Chairman &  
Chief Executive Officer,  
GAMCO Investors Inc.  
Executive Chairman,  
Associated Capital Group Inc.

Anthony S. Colavita  
President,  
Anthony J. Colavita, P.C.

James P. Conn  
Former Managing Director &  
Chief Investment Officer,  
Financial Security Assurance  
Holdings Ltd.

Frank J. Fahrenkopf, Jr.  
Former President &  
Chief Executive Officer,  
American Gaming Association

Michael J. Melarkey  
Of Counsel,  
McDonald Carano Wilson LLP

Kuni Nakamura  
President,  
Advanced Polymer Inc.

Salvatore M. Salibello, CPA  
Senior Partner,  
Bright Side Consulting

Edward T. Tokar  
Former Chief Executive Officer  
of Allied Capital Management,  
LLC & Vice President of  
Honeywell International, Inc.

Anthonie C. van Ekris  
Chairman,  
BALMAC International, Inc.

Susan V. Watson, CFA  
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Investor Relations Association

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Rye, New York 10580-1422

### CUSTODIAN

State Street Bank and Trust  
Company

### COUNSEL

Skadden, Arps, Slate, Meagher &  
Flom LLP

### TRANSFER AGENT AND REGISTRAR

Computershare Trust Company, N.A.



GABELLI  
FUNDS

# THE GABELLI DIVIDEND & INCOME TRUST

## GDV

*Shareholder Commentary*  
*June 30, 2018*



# The Gabelli Dividend & Income Trust

## Semiannual Report — June 30, 2018

### To Our Shareholders,

For the six months ended June 30, 2018, the net asset value (“NAV”) total return of The Gabelli Dividend & Income Trust (the “Fund”) was (2.0)%, compared with a total return of 2.7% for the Standard & Poor’s (“S&P”) 500 Index. The total return for the Fund’s publicly traded shares was (0.8)%. The Fund’s NAV per share was \$23.95, while the price of the publicly traded shares closed at \$22.56 on the New York Stock Exchange (“NYSE”). See page below for additional performance information.

Enclosed are the financial statements, including the schedule of investments, as of June 30, 2018.

### Comparative Results

<b>Average Annual Returns through June 30, 2018 (a) (Unaudited)</b>					
	<u>Year to Date</u>	<u>1 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception (11/28/03)</u>
<b>Gabelli Dividend &amp; Income Trust</b>					
NAV Total Return (b) . . . . .	(2.03)%	8.78%	9.29%	8.02%	8.12%
Investment Total Return (c) . . . . .	(0.82)	9.58	10.76	10.00	8.19
S&P 500 Index . . . . .	2.65	14.37	13.42	10.17	8.90
Dow Jones Industrial Average . . . . .	(0.73)	16.26	12.89	10.73	9.12
Nasdaq Composite Index . . . . .	9.38	23.71	18.61	13.96	10.91

(a) *Returns represent past performance and do not guarantee future results. Investment returns and the principal value of an investment will fluctuate. When shares are sold, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Performance returns for periods of less than one year are not annualized. Visit [www.gabelli.com](http://www.gabelli.com) for performance information as of the most recent month end. Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing.* The Dow Jones Industrial Average is an unmanaged index of 30 large capitalization stocks. The S&P 500 and the Nasdaq Composite Indices are unmanaged indicators of stock market performance. Dividends are considered reinvested except for the Nasdaq Composite Index. You cannot invest directly in an index.

(b) Total returns and average annual returns reflect changes in the NAV per share and reinvestment of distributions at NAV on the ex-dividend date and adjustment for the spin-off and are net of expenses. Since inception return is based on an initial NAV of \$19.06.

(c) Total returns and average annual returns reflect changes in closing market values on the NYSE, reinvestment of distributions and adjustment for the spin-off. Since inception return is based on an initial offering price of \$20.00.

## Summary of Portfolio Holdings (Unaudited)

The following table presents portfolio holdings as a percent of total investments as of June 30, 2018:

### The Gabelli Dividend & Income Trust

Financial Services . . . . .	17.9%	Metals and Mining . . . . .	0.9%
Food and Beverage . . . . .	14.1%	U.S. Government Obligations . . . . .	0.9%
Health Care . . . . .	8.5%	Computer Hardware . . . . .	0.8%
Energy and Utilities: Oil . . . . .	6.1%	Transportation . . . . .	0.8%
Diversified Industrial . . . . .	4.1%	Automotive . . . . .	0.8%
Telecommunications . . . . .	3.8%	Consumer Services . . . . .	0.7%
Consumer Products . . . . .	3.5%	Hotels and Gaming . . . . .	0.5%
Retail . . . . .	3.3%	Energy and Utilities: Electric . . . . .	0.5%
Computer Software and Services . . . . .	3.0%	Real Estate . . . . .	0.5%
Aerospace . . . . .	2.6%	Aviation: Parts and Services . . . . .	0.4%
Business Services . . . . .	2.6%	Communications Equipment . . . . .	0.4%
Automotive: Parts and Accessories . . . . .	2.5%	Energy and Utilities: Water . . . . .	0.3%
Electronics . . . . .	2.3%	Energy and Utilities . . . . .	0.2%
Specialty Chemicals . . . . .	2.2%	Wireless Communications . . . . .	0.2%
Machinery . . . . .	1.9%	Closed-End Funds . . . . .	0.2%
Energy and Utilities: Services . . . . .	1.8%	Paper and Forest Products . . . . .	0.1%
Entertainment . . . . .	1.7%	Publishing . . . . .	0.1%
Equipment and Supplies . . . . .	1.7%	Semiconductors . . . . .	0.1%
Environmental Services . . . . .	1.6%	Industrials . . . . .	0.0%*
Energy and Utilities: Natural Gas . . . . .	1.4%	Agriculture . . . . .	0.0%*
Energy and Utilities: Integrated . . . . .	1.3%		
Building and Construction . . . . .	1.3%		
Cable and Satellite . . . . .	1.3%		
Broadcasting . . . . .	1.1%		
			<u>100.0%</u>

\* Amount represents less than 0.05%.

The Fund files a complete schedule of portfolio holdings with the Securities and Exchange Commission (the "SEC") for the first and third quarters of each fiscal year on Form N-Q. Shareholders may obtain this information at [www.gabelli.com](http://www.gabelli.com) or by calling the Fund at 800-GABELLI (800-422-3554). The Fund's Form N-Q is available on the SEC's website at [www.sec.gov](http://www.sec.gov) and may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling 800-SEC-0330.

### Proxy Voting

The Fund files Form N-PX with its complete proxy voting record for the twelve months ended June 30, no later than August 31 of each year. A description of the Fund's proxy voting policies, procedures, and how the Fund voted proxies relating to portfolio securities is available without charge, upon request, by (i) calling 800-GABELLI (800-422-3554); (ii) writing to The Gabelli Funds at One Corporate Center, Rye, NY 10580-1422; or (iii) visiting the SEC's website at [www.sec.gov](http://www.sec.gov).

# The Gabelli Dividend & Income Trust

## Schedule of Investments — June 30, 2018 (Unaudited)

Shares		Cost	Market Value	Shares		Cost	Market Value
	<b>COMMON STOCKS — 98.4%</b>			101,000	MSG Networks Inc., Cl. A†	\$ 849,050	\$ 2,418,950
	<b>Aerospace — 2.6%</b>			89,158	Tribune Media Co., Cl. A	3,310,481	3,412,077
255,000	Aerojet Rocketdyne Holdings Inc.†	\$ 3,111,396	\$ 7,519,950			24,241,544	27,517,764
34,000	Kaman Corp.	675,256	2,369,460		<b>Building and Construction — 1.3%</b>		
91,800	Rockwell Automation Inc.	3,748,405	15,259,914	58,000	Armstrong Flooring Inc.†	1,029,261	814,320
1,435,000	Rolls-Royce Holdings plc	10,819,570	18,714,921	70,000	Fortune Brands Home & Security Inc.	941,518	3,758,300
104,015,000	Rolls-Royce Holdings plc, Cl. C†(a)	144,888	137,274	14,500	Gibraltar Industries Inc.†	466,733	543,750
62,300	The Boeing Co.	5,389,314	20,902,273	242,350	Herc Holdings Inc.†	8,940,258	13,653,999
		23,888,829	64,903,792	387,018	Johnson Controls International plc	13,188,837	12,945,752
	<b>Agriculture — 0.0%</b>			10,800	Sika AG	1,384,793	1,498,455
2,000	Bunge Ltd.	128,286	139,420			25,951,400	33,214,576
	<b>Automotive — 0.8%</b>				<b>Business Services — 2.6%</b>		
155,000	Ford Motor Co.	2,073,690	1,715,850	25,000	Aramark	645,416	927,500
53,000	General Motors Co.	2,005,900	2,088,200	8,200	Broadridge Financial Solutions Inc.	957,120	943,820
273,000	Navistar International Corp.†	7,166,104	11,116,560	85,000	Diebold Nixdorf Inc.	1,827,244	1,015,750
84,000	PACCAR Inc.	3,802,072	5,204,640	164,301	Fly Leasing Ltd., ADR†	2,226,052	2,315,001
		15,047,766	20,125,250	5,000	Jardine Matheson Holdings Ltd.	304,206	315,500
	<b>Automotive: Parts and Accessories — 2.5%</b>			38,000	JCDecaux SA	1,256,073	1,271,829
12,713	Adient plc	597,511	625,352	327,000	Macquarie Infrastructure Corp.	17,814,389	13,799,400
12,000	Allison Transmission Holdings Inc.	517,195	485,880	172,800	Mastercard Inc., Cl. A	8,592,937	33,958,656
52,676	Aptiv plc	3,164,608	4,826,702	2,700	S&P Global Inc.	542,852	550,503
204,000	Dana Inc.	3,784,076	4,118,760	7,700	Square Inc., Cl. A†	473,617	474,628
10,892	Delphi Technologies plc	441,402	495,150	45,000	Stericycle Inc.†	3,385,704	2,938,050
338,900	Genuine Parts Co.	21,598,388	31,107,631	19,000	The Brink's Co.	472,783	1,515,250
7,000	Lear Corp.	920,864	1,300,670	29,600	Visa Inc., Cl. A	2,939,427	3,920,520
60,500	O'Reilly Automotive Inc.†	11,412,372	16,550,985			41,437,820	63,946,407
60,000	Tenneco Inc.	3,629,886	2,637,600		<b>Cable and Satellite — 1.2%</b>		
10,000	Visteon Corp.†	773,094	1,292,400	54,000	AMC Networks Inc., Cl. A†	2,188,881	3,358,800
		46,839,396	63,441,130	2,445	Charter Communications Inc., Cl. A†	347,387	716,898
	<b>Aviation: Parts and Services — 0.4%</b>			15,000	Cogeco Inc.	296,908	663,142
92,000	Arconic Inc.	1,951,196	1,564,920	258,600	Comcast Corp., Cl. A	7,430,660	8,484,666
81,000	KLX Inc.†	3,202,272	5,823,900	199,000	DISH Network Corp., Cl. A†	6,296,699	6,688,390
21,101	Rockwell Collins Inc.	2,067,687	2,841,883	50,000	EchoStar Corp., Cl. A†	1,296,581	2,220,000
		7,221,155	10,230,703	9,507	Liberty Latin America Ltd., Cl. A†	165,069	181,774
	<b>Broadcasting — 1.1%</b>			22,116	Liberty Latin America Ltd., Cl. C†	568,678	428,608
24,900	CBS Corp., Cl. A, Voting	1,372,540	1,410,336	153,000	Rogers Communications Inc., Cl. B	3,393,082	7,261,380
900,000	Entercom Communications Corp., Cl. A	8,561,902	6,795,000	25,000	WideOpenWest Inc.†	345,838	241,500
15,000	Liberty Broadband Corp., Cl. C†	798,727	1,135,800			22,329,783	30,245,158
61,763	Liberty Global plc, Cl. A†	982,056	1,700,953		<b>Communications Equipment — 0.4%</b>		
328,570	Liberty Global plc, Cl. C†	7,291,014	8,743,248	330,000	Corning Inc.	4,042,401	9,078,300
12,000	Liberty Media Corp.- Liberty SiriusXM, Cl. A†	293,384	540,600				
30,000	Liberty Media Corp.- Liberty SiriusXM, Cl. C†	782,390	1,360,800				

See accompanying notes to financial statements.

# The Gabelli Dividend & Income Trust

## Schedule of Investments (Continued) — June 30, 2018 (Unaudited)

Shares	Cost	Market Value	Shares	Cost	Market Value		
<b>COMMON STOCKS (Continued)</b>							
<b>Computer Hardware — 0.8%</b>							
111,712	Apple Inc. .... \$ 14,381,841	\$ 20,679,008	31,200	Facebook Inc., Cl. A† .....	\$ 6,062,474	\$ 6,062,784	
			41,279	GCI Liberty Inc., Cl. A† .....	1,701,722	1,860,857	
			7,700	IAC/InterActiveCorp.† .....	1,227,073	1,174,173	
			853	Liberty Expedia Holdings Inc., Cl. A† .....	19,923	37,481	
			95,000	Qurate Retail Inc.† .....	1,680,230	2,015,900	
			46,000	ServiceMaster Global Holdings Inc.† .....	1,766,708	2,735,620	
					14,532,263	16,531,607	
<b>Computer Software and Services — 3.0%</b>							
11,000	Accenture plc, Cl. A .....	1,785,244	1,799,490				
7,400	Adobe Systems Inc.† .....	1,878,380	1,804,194				
5,789	Alphabet Inc., Cl. A† .....	2,474,180	6,536,881				
11,200	Alphabet Inc., Cl. C† .....	10,713,014	12,495,280				
3,200	Amazon.com Inc.† .....	5,325,927	5,439,360				
8,800	Autodesk Inc.† .....	1,202,606	1,153,592				
33,130	Black Knight Inc.† .....	565,682	1,774,111				
35,000	Blucora Inc.† .....	438,146	1,295,000				
11,200	Cognizant Technology Solutions Corp., Cl. A .....	878,195	884,688				
15,000	CyrusOne Inc., REIT .....	283,620	875,400				
40,000	Donnelley Financial Solutions Inc.† .....	836,918	694,800				
3,437	DXC Technology Co. ....	201,755	277,057				
35,000	eBay Inc.† .....	782,634	1,269,100				
11,800	Fiserv Inc.† .....	889,315	874,262				
848,000	Hewlett Packard Enterprise Co. ....	11,518,812	12,389,280				
19,300	Interap Corp.† .....	328,530	201,106				
197,549	Microsoft Corp. ....	11,734,700	19,480,307				
8,600	Palo Alto Networks Inc.† .....	1,772,770	1,767,042				
1,718	Perspecta Inc. ....	31,016	35,305				
8,400	salesforce.com Inc.† .....	1,134,668	1,145,760				
6,600	ServiceNow Inc.† .....	1,212,748	1,138,302				
9,400	Tableau Software Inc., Cl. A† ..	949,791	918,850				
		56,938,651	74,249,167				
<b>Consumer Products — 3.5%</b>							
5,200	adidas AG .....	1,212,972	1,135,266				
165,000	Avon Products Inc.† .....	502,771	267,300				
30,000	Church & Dwight Co. Inc. ....	1,199,580	1,594,800				
60,000	Coty Inc., Cl. A .....	975,900	846,000				
365,500	Edgewell Personal Care Co.† ..	29,018,213	18,443,130				
65,000	Energizer Holdings Inc. ....	2,134,399	4,092,400				
100,000	Hanesbrands Inc. ....	476,588	2,202,000				
18,000	Kimberly-Clark Corp. ....	1,474,125	1,896,120				
38,000	Newell Brands Inc. ....	1,050,194	980,020				
24,000	Philip Morris International Inc. ....	1,376,885	1,937,760				
7,000	Stanley Black & Decker Inc. ....	544,312	929,670				
871,000	Swedish Match AB .....	12,507,935	43,147,648				
96,000	The Procter & Gamble Co. ....	5,549,880	7,493,760				
4,700	The Sherwin-Williams Co. ....	1,839,573	1,915,579				
		59,863,327	86,881,453				
<b>Consumer Services — 0.7%</b>							
51,000	Ashtead Group plc .....	902,614	1,529,892				
550	Booking Holdings Inc.† .....	1,171,519	1,114,900				
				31,200	Facebook Inc., Cl. A† .....	\$ 6,062,474	\$ 6,062,784
				41,279	GCI Liberty Inc., Cl. A† .....	1,701,722	1,860,857
				7,700	IAC/InterActiveCorp.† .....	1,227,073	1,174,173
				853	Liberty Expedia Holdings Inc., Cl. A† .....	19,923	37,481
				95,000	Qurate Retail Inc.† .....	1,680,230	2,015,900
				46,000	ServiceMaster Global Holdings Inc.† .....	1,766,708	2,735,620
					14,532,263	16,531,607	
<b>Diversified Industrial — 4.1%</b>							
			4,400	3M Co. ....	882,497	865,568	
			92,000	Bouygues SA .....	3,213,947	3,965,527	
			4,000	Crane Co. ....	303,120	320,520	
			39,700	Eaton Corp. plc .....	1,780,122	2,967,178	
			7,000	EnPro Industries Inc. ....	510,148	489,650	
			100,000	Estre Ambiental Inc.† .....	1,003,960	834,000	
			871,000	General Electric Co. ....	16,606,335	11,854,310	
			200,000	Griffon Corp. ....	3,935,385	3,560,000	
			316,826	Honeywell International Inc. ....	23,816,290	45,638,785	
			56,000	ITT Inc. ....	1,056,566	2,927,120	
			10,000	Jardine Strategic Holdings Ltd. ....	341,284	364,800	
			15,000	nVent Electric plc† .....	199,094	376,500	
			4,000	Packaging Corp. of America ...	488,540	447,160	
			20,000	Pentair plc .....	530,274	841,600	
			2,000	Roper Technologies Inc. ....	539,054	551,820	
			4,000	Sulzer AG .....	394,160	487,125	
			13,000	Terex Corp. ....	536,015	548,470	
			362,000	Textron Inc. ....	8,403,474	23,859,420	
			315,000	Toray Industries Inc. ....	2,373,663	2,486,655	
					66,913,928	103,386,208	
<b>Electronics — 2.3%</b>							
			13,000	Emerson Electric Co. ....	774,560	898,820	
			153,400	Intel Corp. ....	4,430,425	7,625,514	
			428,900	Sony Corp., ADR .....	8,433,208	21,985,414	
			65,700	TE Connectivity Ltd. ....	2,206,558	5,916,942	
			100,000	Texas Instruments Inc. ....	2,905,588	11,025,000	
			43,400	Thermo Fisher Scientific Inc. ...	7,747,055	8,989,876	
					26,497,394	56,441,566	
<b>Energy and Utilities: Electric — 0.5%</b>							
			11,000	ALLETE Inc. ....	360,106	851,510	
			10,000	American Electric Power Co. Inc. ....	359,450	692,500	
			10,000	Edison International. ....	366,166	632,700	
			17,000	El Paso Electric Co. ....	589,006	1,004,700	
			70,000	Electric Power Development Co. Ltd. ....	1,833,684	1,808,246	
			75,971	Evergy Inc. ....	2,102,035	4,265,772	
			18,000	PG&E Corp. ....	735,604	766,080	
			12,000	Pinnacle West Capital Corp. ...	468,584	966,720	

See accompanying notes to financial statements.

# The Gabelli Dividend & Income Trust

## Schedule of Investments (Continued) — June 30, 2018 (Unaudited)

Shares	Cost	Market Value	Shares	Cost	Market Value
<b>COMMON STOCKS (Continued)</b>					
<b>Energy and Utilities: Electric (Continued)</b>					
60,000	The AES Corp. .... \$ 617,140	\$ 804,600	30,000	South Jersey Industries Inc.... \$ 476,644	\$ 1,004,100
25,000	WEC Energy Group Inc. .... 1,051,041	1,616,250	44,000	Southwest Gas Holdings Inc.... 1,159,950	3,355,880
				<u>21,641,418</u>	<u>35,966,859</u>
	<u>8,482,816</u>	<u>13,409,078</u>			
<b>Energy and Utilities: Integrated — 1.3%</b>			<b>Energy and Utilities: Oil — 6.1%</b>		
24,000	Avangrid Inc. .... 948,914	1,270,320	100,107	Anadarko Petroleum Corp. .... 5,706,240	7,332,838
26,000	Avista Corp. .... 490,519	1,369,160	37,000	Apache Corp. .... 2,562,592	1,729,750
4,000	Black Hills Corp. .... 104,480	244,840	87,000	BP plc, ADR .... 2,820,938	3,972,420
26,000	Chubu Electric Power Co. Inc. . 448,302	390,065	35,000	Chesapeake Energy Corp.† .... 426,982	183,400
100,000	Edison SpA†(a) ..... 220,882	58,565	148,222	Chevron Corp. .... 12,195,318	18,739,707
20,000	Endesa SA ..... 506,664	441,312	190,772	ConocoPhillips ..... 9,982,178	13,281,547
230,000	Enel SpA ..... 1,051,884	1,277,703	95,000	Devon Energy Corp. .... 5,095,861	4,176,200
17,000	Eversource Energy ..... 306,582	996,370	130,000	Eni SpA, ADR ..... 4,789,601	4,825,600
34,000	Hawaiian Electric Industries Inc. .... 794,771	1,166,200	495,000	Equinor ASA, ADR ..... 8,248,862	13,072,950
401,000	Hera SpA ..... 792,954	1,250,330	85,500	Exxon Mobil Corp. .... 6,791,168	7,073,415
10,000	Hokkaido Electric Power Co. Inc. .... 107,280	68,103	22,700	Hess Corp. .... 1,341,390	1,518,403
24,000	Hokuriku Electric Power Co.† . 386,941	241,268	210,000	Marathon Oil Corp. .... 4,986,868	4,380,600
45,000	Iberdrola SA, ADR ..... 952,490	1,386,900	260,000	Marathon Petroleum Corp. .... 6,333,587	18,241,600
127,000	Korea Electric Power Corp., ADR ..... 1,758,452	1,821,180	10,000	Murphy Oil Corp. .... 357,981	337,700
40,000	Kyushu Electric Power Co. Inc. .... 614,508	446,552	183,900	Occidental Petroleum Corp. ... 9,270,382	15,388,752
29,000	MGE Energy Inc. .... 621,355	1,828,450	200	PetroChina Co. Ltd., ADR ..... 12,118	15,254
51,000	NextEra Energy Inc. .... 2,671,298	8,518,530	20,000	Petroleio Brasileiro SA, ADR ... 266,014	200,600
20,000	NextEra Energy Partners LP ... 836,686	933,400	128,000	Phillips 66 ..... 10,180,010	14,375,680
49,000	NiSource Inc. .... 397,054	1,287,720	200,000	Repsol SA, ADR ..... 4,155,562	3,908,000
57,500	OGE Energy Corp. .... 685,360	2,024,575	194,800	Royal Dutch Shell plc, Cl. A, ADR ..... 9,882,980	13,486,004
12,000	Ormat Technologies Inc. .... 180,000	638,280	99,500	TOTAL SA, ADR ..... 4,622,806	6,025,720
30,000	Public Service Enterprise Group Inc. .... 906,080	1,624,200		<u>110,029,438</u>	<u>152,266,140</u>
58,000	Shikoku Electric Power Co. Inc. .... 1,066,813	776,372		<b>Energy and Utilities: Services — 1.8%</b>	
50,000	The Chugoku Electric Power Co. Inc. .... 851,464	646,706	47,000	ABB Ltd., ADR ..... 511,806	1,023,190
20,000	The Kansai Electric Power Co. Inc. .... 278,704	291,921	295,000	Baker Hughes, a GE Company . 13,360,871	9,743,850
45,000	Tohoku Electric Power Co. Inc. .... 663,612	549,925	44,000	Diamond Offshore Drilling Inc.† ..... 1,550,996	917,840
27,000	Vectren Corp. .... 759,384	1,929,150	381,145	Halliburton Co. .... 14,906,167	17,174,394
	<u>19,403,433</u>	<u>33,478,097</u>	49,000	Oceaneering International Inc. 1,198,537	1,247,540
			167,590	Schlumberger Ltd. .... 8,886,465	11,233,558
			1,222,601	Weatherford International plc† ..... 7,018,444	4,022,357
				<u>47,433,286</u>	<u>45,362,729</u>
				<b>Energy and Utilities: Water — 0.3%</b>	
20,000	<b>Energy and Utilities: Natural Gas — 1.4%</b>		12,000	American States Water Co. .... 150,968	685,920
100,000	CNX Resources Corp.† ..... 206,086	355,600	17,500	American Water Works Co. Inc. .... 430,104	1,494,150
362,000	Kinder Morgan Inc. .... 2,966,565	1,767,000	39,500	Aqua America Inc. .... 550,691	1,389,610
36,666	National Fuel Gas Co. .... 12,302,313	19,171,520	50,000	Mueller Water Products Inc., Cl. A ..... 567,098	586,000
24,750	National Grid plc. .... 574,588	405,701	30,000	Severn Trent plc ..... 764,139	783,733
14,000	National Grid plc, ADR ..... 1,223,561	1,382,288	29,000	SJW Group ..... 514,093	1,920,380
65,000	ONEOK Inc. .... 699,820	977,620	8,000	The York Water Co. .... 104,289	254,400
	Sempra Energy ..... 2,031,891	7,547,150			

See accompanying notes to financial statements.



## The Gabelli Dividend & Income Trust

### Schedule of Investments (Continued) — June 30, 2018 (Unaudited)

Shares	Cost	Market Value	Shares	Cost	Market Value		
<b>COMMON STOCKS (Continued)</b>			<b>Health Care — 8.4%</b>				
<b>Financial Services (Continued)</b>							
6,000	Willis Towers Watson plc.....	\$ 477,521	\$ 909,600	190,000	Abbott Laboratories.....	\$ 6,283,503	\$ 11,588,100
		286,518,657	446,559,075	11,500	AbbVie Inc.....	1,136,415	1,065,475
				9,000	Aetna Inc.....	631,250	1,651,500
				90,000	Akorn Inc.†.....	2,491,022	1,493,100
	<b>Food and Beverage — 14.1%</b>			5,000	Alexion Pharmaceuticals Inc.†.....	635,800	620,750
8,000	Ajinomoto Co. Inc.....	137,110	151,452	1,800	Align Technology Inc.†.....	618,115	615,852
12,500	Brown-Forman Corp., Cl. B....	341,437	612,625	75,390	Allergan plc.....	16,652,114	12,569,021
80,300	Campbell Soup Co.....	2,742,658	3,255,362	59,500	AmerisourceBergen Corp.....	3,937,302	5,073,565
1,000,000	China Mengniu Dairy Co. Ltd..	1,245,706	3,390,435	10,000	Anthem Inc.....	885,792	2,380,300
66,000	Chr. Hansen Holding A/S.....	2,705,045	6,097,289	40,000	Baxter International Inc.....	1,453,203	2,953,600
425,000	Conagra Brands Inc.....	12,726,088	15,185,250	17,900	Becton, Dickinson and Co.....	3,297,914	4,288,124
21,700	Constellation Brands Inc., Cl. A.....	515,259	4,749,479	735,000	BioScrip Inc.†.....	2,305,334	2,153,550
216,222	Danone SA.....	10,776,069	15,874,948	31,300	Bristol-Myers Squibb Co.....	1,940,006	1,732,142
3,850,000	Davide Campari-Milano SpA....	11,061,775	31,674,569	12,500	Cardiovascular Systems Inc.†.....	339,293	404,250
80,000	Diageo plc, ADR.....	9,680,592	11,520,800	10,000	Charles River Laboratories International Inc.†.....	1,038,800	1,122,600
193,000	Dr Pepper Snapple Group Inc..	8,753,145	23,546,000	5,000	Chemed Corp.....	323,860	1,609,050
70,954	Flowers Foods Inc.....	1,053,433	1,477,972	15,000	Cigna Corp.....	2,775,190	2,549,250
371,900	General Mills Inc.....	17,302,026	16,460,294	35,000	DaVita Inc.†.....	2,192,140	2,430,400
18,000	Heineken Holding NV.....	747,987	1,725,777	4,400	Edwards Lifesciences Corp.†..	622,309	640,508
275,000	ITO EN Ltd.....	6,032,373	12,742,176	85,000	Eli Lilly & Co.....	3,524,417	7,253,507
86,600	Kellogg Co.....	6,142,302	6,050,742	130,000	Envision Healthcare Corp.†....	8,375,789	5,721,350
360,000	Kikkoman Corp.....	4,276,456	18,176,399	250,000	Evolent Health Inc., Cl. A†.....	4,318,117	5,262,500
190,000	Lamb Weston Holdings Inc.....	6,917,205	13,016,900	40,000	Express Scripts Holding Co.†..	2,831,314	3,088,400
100,000	Maple Leaf Foods Inc.....	1,890,018	2,528,430	40,000	Gerresheimer AG.....	2,664,055	3,246,488
3,000	McCormick & Co. Inc., Cl. V....	290,905	347,400	58,543	Gilead Sciences Inc.....	4,806,640	4,147,186
90,000	Molson Coors Brewing Co., Cl. B.....	5,616,364	6,123,600	40,000	HCA Healthcare Inc.....	2,418,679	4,104,000
801,694	Mondelēz International Inc., Cl. A.....	23,495,024	32,869,454	35,000	Henry Schein Inc.†.....	2,232,450	2,542,400
30,000	Morinaga Milk Industry Co. Ltd.....	588,860	1,121,799	4,300	Humana Inc.....	1,251,638	1,279,809
2,000	National Beverage Corp.†.....	163,804	213,800	4,400	Illumina Inc.†.....	1,238,952	1,228,876
22,000	Nestlé SA.....	1,644,475	1,708,371	6,500	Incyte Corp.†.....	712,456	435,500
35,000	Nestlé SA, ADR.....	2,563,158	2,710,050	35,000	Integer Holdings Corp.†.....	1,025,724	2,262,750
160,000	Nissin Foods Holdings Co. Ltd.....	5,465,019	11,575,667	2,500	Intuitive Surgical Inc.†.....	1,208,026	1,196,200
1,740,151	Parmalat SpA.....	5,262,732	5,872,916	119,100	Johnson & Johnson.....	11,046,903	14,451,594
339,450	Parmalat SpA, GDR(b)(c).....	981,615	1,145,372	130,000	Kindred Healthcare Inc.†.....	1,132,140	1,170,000
199,000	PepsiCo Inc.....	13,839,857	21,665,130	28,400	Laboratory Corp. of America Holdings†.....	3,623,223	5,098,652
62,000	Pernod Ricard SA.....	5,311,274	10,129,276	8,000	Ligand Pharmaceuticals Inc.†..	813,131	1,657,360
45,000	Pinnacle Foods Inc.....	2,546,524	2,927,700	13,349	Mallinckrodt plc†.....	803,487	249,092
25,000	Post Holdings Inc.†.....	1,694,095	2,150,500	20,000	McKesson Corp.....	3,193,060	2,668,000
25,000	Remy Cointreau SA.....	1,396,049	3,240,649	40,000	Medtronic plc.....	3,023,885	3,424,400
18,000	Suntory Beverage & Food Ltd..	573,702	769,001	223,179	Merck & Co. Inc.....	9,073,786	13,546,965
478,400	The Coca-Cola Co.....	15,367,029	20,982,624	50,000	Mylan NV†.....	2,900,000	1,807,000
7,000	The J.M. Smucker Co.....	690,177	752,360	163,196	NeoGenomics Inc.†.....	1,253,112	2,139,500
265,212	The Kraft Heinz Co.....	14,606,087	16,660,618	12,202	Nevro Corp.†.....	913,191	974,330
25,000	Unilever plc, ADR.....	800,393	1,382,000	45,000	Orthofix International NV†.....	1,458,930	2,556,900
287,000	Yakult Honsha Co. Ltd.....	7,192,434	19,182,586	114,992	Owens & Minor Inc.....	2,445,659	1,921,516
		215,136,261	351,767,772	140,000	Patterson Cos., Inc.....	4,658,654	3,173,800
				557,424	Pfizer Inc.....	12,170,627	20,223,343
				25,000	Shire plc, ADR.....	3,811,825	4,220,000
				21,800	Stryker Corp.....	2,475,600	3,681,148

See accompanying notes to financial statements.

# The Gabelli Dividend & Income Trust

## Schedule of Investments (Continued) — June 30, 2018 (Unaudited)

Shares		Cost	Market Value	Shares		Cost	Market Value
	<b>COMMON STOCKS (Continued)</b>						
	<b>Health Care (Continued)</b>			90,000	News Corp., Cl. B .....	\$ 1,400,496	\$ 1,426,500
16,000	The Cooper Companies Inc. ....	\$ 2,078,450	\$ 3,767,200			<u>1,696,554</u>	<u>1,778,160</u>
30,000	UnitedHealth Group Inc. ....	3,956,118	7,360,200		<b>Real Estate — 0.5%</b>		
43,000	Zimmer Biomet Holdings Inc. .	4,341,287	4,791,920	9,000	American Tower Corp., REIT ..	1,272,456	1,297,530
158,702	Zoetis Inc. ....	5,854,303	13,519,823	19,500	Brookfield Asset Management Inc., Cl. A .....	132,340	790,530
		<u>167,194,990</u>	<u>211,112,339</u>	50,500	Crown Castle International Corp., REIT .....	2,371,891	5,444,910
	<b>Hotels and Gaming — 0.5%</b>			1,000	Equinix Inc., REIT .....	419,218	429,890
19,000	Accor SA .....	654,124	932,349	18,000	Forest City Realty Trust Inc., Cl. A, REIT .....	439,998	410,580
95,000	Boyd Gaming Corp. ....	520,622	3,292,700	16,000	QTS Realty Trust Inc., Cl. A, REIT .....	345,246	632,000
23,034	GVC Holdings plc .....	298,449	319,494	3,000	SBA Communications Corp., REIT† .....	487,639	495,360
52,000	Las Vegas Sands Corp. ....	2,356,286	3,970,720	80,000	Uniti Group Inc., REIT† .....	1,477,610	1,602,400
400,000	Mandarin Oriental International Ltd. ....	680,880	932,000	50,000	Weyerhaeuser Co., REIT .....	<u>1,663,190</u>	<u>1,823,000</u>
18,000	MGM Resorts International....	626,780	522,540			<u>8,609,588</u>	<u>12,926,200</u>
35,000	Ryman Hospitality Properties Inc., REIT .....	1,928,422	2,910,250		<b>Retail — 3.3%</b>		
6,000	Wyndham Destinations Inc. ....	195,037	265,620	118,500	AutoNation Inc.† .....	5,864,587	5,756,730
6,000	Wyndham Hotels & Resorts Inc. ....			2,300	AutoZone Inc.† .....	1,480,520	1,543,139
		<u>229,308</u>	<u>352,980</u>	2,300	Costco Wholesale Corp. ....	453,619	480,654
		<u>7,489,908</u>	<u>13,498,653</u>	274,500	CVS Health Corp. ....	17,831,024	17,664,075
	<b>Industrials — 0.0%</b>			151,000	Hertz Global Holdings Inc.† ..	3,048,754	2,316,340
20,250	Granite Construction Inc. ....	924,119	1,127,115	135,000	Ingles Markets Inc., Cl. A. ....	2,134,014	4,293,000
	<b>Machinery — 1.9%</b>			90,000	Lowe's Companies Inc. ....	2,027,654	8,601,300
8,500	Astec Industries Inc. ....	499,945	508,300	70,800	Macy's Inc. ....	1,327,569	2,650,044
170,000	CNH Industrial NV, Borsa Italiana .....	1,339,904	1,805,795	6,000	MSC Industrial Direct Co. Inc., Cl. A .....	430,132	509,100
1,145,000	CNH Industrial NV, New York ..	8,774,837	12,056,850	39,000	Murphy USA Inc.† .....	1,564,328	2,897,310
88,000	Deere & Co. ....	5,479,960	12,302,400	16,900	NIKE Inc., Cl. B .....	1,251,258	1,346,592
7,500	Oshkosh Corp. ....	575,951	527,400	25,000	Rush Enterprises Inc., Cl. B† ..	599,173	1,097,500
289,000	Xylem Inc. ....	10,905,595	19,472,820	275,000	Sally Beauty Holdings Inc.† ..	4,365,683	4,408,250
		<u>27,576,192</u>	<u>46,673,565</u>	110,000	Seven & i Holdings Co. Ltd. ....	3,335,405	4,799,801
	<b>Metals and Mining — 0.9%</b>			92,217	Starbucks Corp. ....	5,131,451	4,504,800
65,000	Agnico Eagle Mines Ltd. ....	2,061,450	2,978,950	39,700	The Home Depot Inc. ....	2,973,694	7,745,470
29,563	Alliance Resource Partners LP .....	253,047	542,481	12,900	The TJX Companies Inc. ....	1,195,756	1,227,822
172,588	Barrick Gold Corp. ....	3,346,411	2,266,080	160,200	Walgreens Boots Alliance Inc. .	6,805,991	9,614,403
8,000	BHP Billiton Ltd., ADR .....	217,549	400,080	20,000	Walmart Inc. ....	<u>970,066</u>	<u>1,713,000</u>
36,000	Franco-Nevada Corp. ....	1,500,629	2,627,467			<u>62,790,678</u>	<u>83,169,330</u>
145,000	Freeport-McMoRan Inc. ....	1,820,069	2,502,700		<b>Semiconductors — 0.1%</b>		
285,332	Newmont Mining Corp. ....	11,417,134	10,759,870	7,300	NVIDIA Corp. ....	1,886,697	1,729,370
88,004	TimkenSteel Corp.† .....	1,169,040	1,438,865		<b>Specialty Chemicals — 2.2%</b>		
		<u>21,785,329</u>	<u>23,516,493</u>	35,000	Air Products & Chemicals Inc..	3,307,890	5,450,550
	<b>Paper and Forest Products — 0.1%</b>			60,000	Ashland Global Holdings Inc. .	2,434,452	4,690,800
64,000	International Paper Co. ....	2,918,317	3,333,120	1,000	Axalta Coating Systems Ltd.† .	25,039	30,310
	<b>Publishing — 0.1%</b>			323,969	DowDuPont Inc. ....	15,662,992	21,356,036
600	Graham Holdings Co., Cl. B ...	296,058	351,660	445,000	Ferro Corp.† .....	5,114,101	9,278,250
				23,000	GCP Applied Technologies Inc.† .....	775,399	665,850

See accompanying notes to financial statements.



# The Gabelli Dividend & Income Trust

## Schedule of Investments (Continued) — June 30, 2018 (Unaudited)

Shares		Cost	Market Value	Shares		Cost	Market Value
	<b>COMMON STOCKS (Continued)</b>				<b>Convertible Preferred Stocks — 0.3%</b>		
	<b>Specialty Chemicals (Continued)</b>				<b>Energy and Utilities — 0.2%</b>		
35,000	International Flavors & Fragrances Inc.....	\$ 4,330,609	\$ 4,338,600	126,000	El Paso Energy Capital Trust I, 4.750% .....	\$ 4,555,360	\$ 5,985,000
89,000	Olin Corp. ....	1,629,332	2,556,080		<b>Telecommunications — 0.1%</b>		
5,000	Praxair Inc. ....	556,243	790,750	53,000	Cincinnati Bell Inc., 6.750%, Ser. B .....	1,813,938	2,620,850
9,000	The Chemours Co. ....	58,593	399,240		<b>TOTAL CONVERTIBLE PREFERRED STOCKS</b> .....	<b>6,369,298</b>	<b>8,605,850</b>
192,359	Valvoline Inc. ....	2,575,777	4,149,184		<b>PREFERRED STOCKS — 0.1%</b>		
		<u>36,470,427</u>	<u>53,705,650</u>		<b>Consumer Services — 0.0%</b>		
	<b>Telecommunications — 3.7%</b>				GCI Liberty Inc., 5.000%, Ser. A .....	36,491	48,300
350,885	AT&T Inc. ....	10,225,885	11,266,917		<b>Health Care — 0.1%</b>		
212,000	BCE Inc. ....	5,623,821	8,583,880		The Phoenix Companies Inc., 7.450%, 01/15/32 .....	2,857,139	2,489,809
495,000	Deutsche Telekom AG, ADR ...	8,414,160	7,640,325	2,000	<b>Real Estate — 0.0%</b>		
56,000	Harris Corp. ....	4,952,691	8,094,240		Regional Health Properties Inc., 10.875%, Ser. A .....	330,966	58,311
195,000	Hellenic Telecommunications Organization SA, ADR .....	1,323,723	1,217,580		<b>TOTAL PREFERRED STOCKS</b> ..	<b>3,224,596</b>	<b>2,596,420</b>
75,000	Loral Space & Communications Inc. † .....	3,158,177	2,820,000	133,681	<b>RIGHTS — 0.0%</b>		
50,000	Orange SA, ADR .....	1,066,613	833,500		<b>Hotels and Gaming — 0.0%</b>		
50,000	Pharol SGPS SA † .....	14,182	13,897	21,643	Ladbrokes plc, CVR † .....	0	7,226
39,000	Proximus SA .....	1,195,261	879,460		<b>Principal Amount</b>		
50,084	Telefonica SA, ADR .....	718,792	427,217	\$ 1,700,000	<b>Convertible Corporate Bonds — 0.1%</b>		
295,000	Telekom Austria AG .....	1,968,837	2,459,740		<b>Cable and Satellite — 0.1%</b>		
23,000	Telenet Group Holding NV † .....	1,046,305	1,074,377		DISH Network Corp. 3.375%, 08/15/26 .....	1,700,000	1,650,863
150,000	Telephone & Data Systems Inc. ....	4,429,792	4,113,000		<b>CORPORATE BONDS — 0.0%</b>		
110,000	Telstra Corp. Ltd., ADR .....	2,014,389	1,071,400		<b>Equipment and Supplies — 0.0%</b>		
135,000	TELUS Corp. ....	1,405,698	4,793,850	50,000	Mueller Industries Inc., 6.000%, 03/01/27 .....	50,000	49,250
40,000	T-Mobile US Inc. † .....	2,310,516	2,390,000		<b>U.S. GOVERNMENT OBLIGATIONS — 0.9%</b>		
150,000	VEON Ltd., ADR .....	548,352	357,000	23,280,000	U.S. Treasury Bills, 1.850% to 1.901% ††, 08/23/18 to 10/11/18 .....	23,187,737	23,189,224
635,886	Verizon Communications Inc. .	27,938,862	31,991,425		<b>TOTAL INVESTMENTS — 100.0%</b> .....	<b>\$1,705,947,333</b>	<b>2,501,701,982</b>
135,000	Vodafone Group plc, ADR .....	4,864,717	3,281,850				
		<u>83,220,773</u>	<u>93,309,658</u>				
	<b>Transportation — 0.8%</b>						
30,000	Daseke Inc. † .....	267,000	297,900				
25,313	Fortress Transportation & Infrastructure Investors LLC .....	406,046	457,406				
239,000	GATX Corp. ....	7,386,430	17,740,970				
16,500	Kansas City Southern .....	277,030	1,748,340				
		<u>8,336,506</u>	<u>20,244,616</u>				
	<b>Wireless Communications — 0.2%</b>						
130,000	United States Cellular Corp. † ..	5,740,722	4,815,200				
	<b>TOTAL COMMON STOCKS</b> .....	<b>1,669,658,963</b>	<b>2,461,942,649</b>				
	<b>CLOSED-END FUNDS — 0.2%</b>						
50,000	Altaba Inc. † .....	1,756,739	3,660,500				

See accompanying notes to financial statements.

# The Gabelli Dividend & Income Trust

## Schedule of Investments (Continued) — June 30, 2018 (Unaudited)

	<b>Market Value</b>
<b>Other Assets and Liabilities (Net)</b> . . . . .	\$ 76,717
<b>PREFERRED STOCK</b>	
(8,331,947 preferred shares outstanding) . . . . .	(527,479,175)
<b>NET ASSETS — COMMON STOCK</b>	
(82,432,426 common shares outstanding) . . . . .	<u>\$1,974,299,524</u>
<b>NET ASSET VALUE PER COMMON SHARE</b>	
(\$1,974,299,524 ÷ 82,432,426 shares outstanding) . . . . .	<u>\$ 23.95</u>

- (a) Security is valued using significant unobservable inputs and is classified as Level 3 in the fair value hierarchy.
- (b) Security exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At June 30, 2018, the market value of Rule 144A securities amounted to \$1,472,721 or 0.06% of total investments.
- (c) At June 30, 2018, the Fund held a restricted and illiquid security amounting to \$1,145,372 or 0.05% of total investments, which was valued under methods approved by the Board of Trustees as follows:

Acquisition Shares	Issuer	Acquisition Dates	Acquisition Cost	6/30/18 Carrying Value Per Share
339,450	Parmalat SpA, GDR . .	12/02/03-12/11/03	\$981,615	\$3.3742

- † Non-income producing security.  
 †† Represents annualized yields at dates of purchase.  
 ADR American Depositary Receipt  
 CVR Contingent Value Right  
 GDR Global Depositary Receipt  
 REIT Real Estate Investment Trust

<b>Geographic Diversification</b>	<b>% of Total Investments</b>	<b>Market Value</b>
<b>Long Positions</b>		
North America . . . . .	83.6%	\$2,092,869,266
Europe . . . . .	12.0	299,536,541
Japan . . . . .	3.9	98,611,544
Asia/Pacific . . . . .	0.4	9,039,649
Latin America . . . . .	0.1	1,644,982
Total Investments . . . . .	<u>100.0%</u>	<u>\$2,501,701,982</u>

See accompanying notes to financial statements.

## The Gabelli Dividend & Income Trust

### Statement of Assets and Liabilities June 30, 2018 (Unaudited)

<b>Assets:</b>	
Investments, at value (cost \$1,705,947,333) . . . .	\$2,501,701,982
Foreign currency, at value (cost \$15,524) . . . . .	15,664
Cash . . . . .	99,611
Deposit at brokers . . . . .	122
Receivable for investments sold . . . . .	3,004,346
Dividends and interest receivable . . . . .	3,672,855
Deferred offering expense . . . . .	117,992
Prepaid expenses . . . . .	18,139
<b>Total Assets</b> . . . . .	<u>2,508,630,711</u>
<b>Liabilities:</b>	
Distributions payable . . . . .	231,602
Payable for investments purchased . . . . .	1,830,893
Payable for investment advisory fees . . . . .	1,731,830
Payable for payroll expenses . . . . .	63,085
Payable for accounting fees . . . . .	11,250
Payable for auction agent fees (a) . . . . .	2,840,609
Other accrued expenses . . . . .	142,743
<b>Total Liabilities</b> . . . . .	<u>6,852,012</u>
<b>Cumulative Preferred Shares each at \$0.001 par value:</b>	
Series A (5.875%, \$25 liquidation value, 3,200,000 shares authorized with 3,048,019 shares issued and outstanding) . . . . .	76,200,475
Series B (Auction Market, \$25,000 liquidation value, 4,000 shares authorized with 3,600 shares issued and outstanding) . . . . .	90,000,000
Series C (Auction Market, \$25,000 liquidation value, 4,800 shares authorized with 4,320 shares issued and outstanding) . . . . .	108,000,000
Series D (6.000%, \$25 liquidation value, 2,600,000 shares authorized with 1,271,148 shares issued and outstanding) . . . . .	31,778,700
Series E (Auction Rate, \$25,000 liquidation value, 5,400 shares authorized with 4,860 shares issued and outstanding) . . . . .	121,500,000
Series G (5.250%, \$25 liquidation value, 4,000,000 shares authorized with 4,000,000 shares issued and outstanding) . . . . .	100,000,000
<b>Total Preferred Shares</b> . . . . .	<u>527,479,175</u>
<b>Net Assets Attributable to Common Shareholders</b> . . . . .	<u>\$1,974,299,524</u>
<b>Net Assets Attributable to Common Shareholders Consist of:</b>	
Paid-in capital . . . . .	\$1,171,200,350
Undistributed net investment income . . . . .	2,218,884
Accumulated net realized gains on investments and foreign currency transactions . . . . .	5,129,915
Net unrealized appreciation on investments . . . . .	795,754,649
Net unrealized depreciation on foreign currency translations . . . . .	(4,274)
<b>Net Assets</b> . . . . .	<u>\$1,974,299,524</u>
<b>Net Asset Value per Common Share at \$0.001 par value:</b>	
(\$1,974,299,524 ÷ 82,432,426 shares outstanding; unlimited number of shares authorized) . . . . .	<u>\$23.95</u>

(a) This amount represents auction agent fees accrued for earlier fiscal periods, and not for the period covered by this report.

### Statement of Operations For the Six Months Ended June 30, 2018 (Unaudited)

<b>Investment Income:</b>	
Dividends (net of foreign withholding taxes of \$852,705) . . . . .	\$ 28,658,814
Interest . . . . .	290,426
<b>Total Income</b> . . . . .	<u>28,949,240</u>
<b>Expenses:</b>	
Investment advisory fees . . . . .	12,813,670
Shareholder communications expenses . . . . .	214,044
Custodian fees . . . . .	145,667
Trustees' fees . . . . .	122,166
Payroll expenses . . . . .	121,400
Shelf registration expense . . . . .	69,824
Legal and audit fees . . . . .	31,350
Shareholder services fees . . . . .	27,890
Accounting fees . . . . .	22,500
Interest expense . . . . .	169
Miscellaneous expenses . . . . .	151,077
<b>Total Expenses</b> . . . . .	<u>13,719,757</u>
Less:	
Advisory fee reduction (See Note 3) . . . . .	(2,257,391)
Expenses paid indirectly by broker (See Note 3) . . . . .	(8,330)
<b>Total Credits and Reductions</b> . . . . .	<u>(2,265,721)</u>
<b>Net Expenses</b> . . . . .	<u>11,454,036</u>
<b>Net Investment Income</b> . . . . .	<u>17,495,204</u>
<b>Net Realized and Unrealized Gain/(Loss) on Investments and Foreign Currency:</b>	
Net realized gain on investments . . . . .	74,168,589
Net realized loss on foreign currency transactions . . . . .	(47,507)
Net realized gain on investments, and foreign currency transactions . . . . .	<u>74,121,082</u>
Net change in unrealized appreciation/depreciation: on investments . . . . .	(120,406,299)
on foreign currency translations . . . . .	(6,083)
Net change in unrealized appreciation/ depreciation on investments and foreign currency translations . . . . .	<u>(120,412,382)</u>
<b>Net Realized and Unrealized Gain/(Loss) on Investments and Foreign Currency . . .</b>	<u>(46,291,300)</u>
<b>Net Decrease in Net Assets Resulting from Operations</b> . . . . .	<u>(28,796,096)</u>
Total Distributions to Preferred Shareholders . . . . .	<u>(12,369,779)</u>
<b>Net Decrease in Net Assets Attributable to Common Shareholders Resulting from Operations</b> . . . . .	<u>\$ (41,165,875)</u>

See accompanying notes to financial statements.

## The Gabelli Dividend & Income Trust

### Statements of Changes in Net Assets Attributable to Common Shareholders

	Six Months Ended June 30, 2018 (Unaudited)	Year Ended December 31, 2017
<b>Operations:</b>		
Net investment income .....	\$ 17,495,204	\$ 26,555,452
Net realized gain on investments, securities sold short, and foreign currency transactions .....	74,121,082	100,297,972
Net change in unrealized appreciation/depreciation on investments, securities sold short, and foreign currency translations .....	<u>(120,412,382)</u>	<u>236,425,188</u>
<b>Net Increase/(Decrease) in Net Assets Resulting from Operations .....</b>	<b><u>(28,796,096)</u></b>	<b><u>363,278,612</u></b>
<b>Distributions to Preferred Shareholders:</b>		
Net investment income .....	(3,657,993)*	(5,209,062)
Net realized capital gain .....	<u>(8,711,786)*</u>	<u>(17,802,379)</u>
<b>Total Distributions to Preferred Shareholders .....</b>	<b><u>(12,369,779)</u></b>	<b><u>(23,011,441)</u></b>
<b>Net Increase/(Decrease) in Net Assets Attributable to Common Shareholders Resulting from Operations .....</b>	<b><u>(41,165,875)</u></b>	<b><u>340,267,171</u></b>
<b>Distributions to Common Shareholders:</b>		
Net investment income .....	(11,375,675)*	(23,259,325)
Net realized capital gain .....	<u>(43,029,726)*</u>	<u>(79,490,563)</u>
Return of capital .....	—	(6,060,914)
<b>Total Distributions to Common Shareholders .....</b>	<b><u>(54,405,401)</u></b>	<b><u>(108,810,802)</u></b>
<b>Fund Share Transactions:</b>		
Adjustment to offering costs for preferred shares .....	—	9,373
<b>Net Increase/(Decrease) in Net Assets Attributable to Common Shareholders .....</b>	<b><u>(95,571,276)</u></b>	<b><u>231,465,742</u></b>
<b>Net Assets Attributable to Common Shareholders:</b>		
Beginning of year .....	<u>2,069,870,800</u>	<u>1,838,405,058</u>
End of period (including undistributed net investment income of \$2,218,884 and \$0, respectively) .....	<u><u>\$1,974,299,524</u></u>	<u><u>\$2,069,870,800</u></u>

\* Based on year to date book income. Amounts are subject to change and recharacterization at year end.

See accompanying notes to financial statements.

# The Gabelli Dividend & Income Trust

## Financial Highlights

### Selected data for a common share of beneficial interest outstanding throughout each period:

	Six Months Ended	Year Ended December 31,				
	June 30, 2018 (Unaudited)	2017	2016	2015	2014	2013
<b>Operating Performance:</b>						
Net asset value, beginning of year . . . . .	\$ 25.11	\$ 22.30	\$ 21.07	\$ 23.57	\$ 24.18	\$ 18.58
Net investment income . . . . .	0.21	0.32	0.36	0.30	0.41	0.36
Net realized and unrealized gain/(loss) on investments, securities sold short, and foreign currency transactions . . . . .	(0.56)	4.09	2.45	(1.39)	1.54	6.45
Total from investment operations . . . . .	(0.35)	4.41	2.81	(1.09)	1.95	6.81
<b>Distributions to Preferred Shareholders: (a)</b>						
Net investment income . . . . .	(0.04)*	(0.06)	(0.05)	(0.06)	(0.03)	(0.05)
Net realized gain . . . . .	(0.11)*	(0.22)	(0.17)	(0.12)	(0.15)	(0.13)
Total distributions to preferred shareholders . . . . .	(0.15)	(0.28)	(0.22)	(0.18)	(0.18)	(0.18)
<b>Net Increase/(Decrease) in Net Assets Attributable to Common Shareholders Resulting from Operations . .</b>						
	(0.50)	4.13	2.59	(1.27)	1.77	6.63
<b>Distributions to Common Shareholders:</b>						
Net investment income . . . . .	(0.14)*	(0.28)	(0.31)	(0.31)	(0.39)	(0.31)
Net realized gain . . . . .	(0.52)*	(0.97)	(1.01)	(0.65)	(1.97)	(0.72)
Return of capital . . . . .	—	(0.07)	—	(0.28)	(0.02)	—
Total distributions to common shareholders . . . . .	(0.66)	(1.32)	(1.32)	(1.24)	(2.38)	(1.03)
<b>Fund Share Transactions:</b>						
Increase in net asset value from repurchase of common shares . . . . .	—	—	0.00(b)	0.01	—	0.00(b)
Offering costs and adjustment to offering costs for preferred shares charged to paid-in capital . . . . .	—	0.00(b)	(0.04)	—	—	—
Total from Fund share transactions . . . . .	—	0.00(b)	(0.04)	0.01	—	0.00(b)
<b>Net Asset Value Attributable to Common Shareholders, End of Period . . . . .</b>						
	\$ 23.95	\$ 25.11	\$ 22.30	\$ 21.07	\$ 23.57	\$ 24.18
NAV total return † . . . . .	(2.03)%	19.14%	12.70%	(5.59)%	7.48%	36.47%
Market value, end of period . . . . .	\$ 22.56	\$ 23.41	\$ 20.04	\$ 18.46	\$ 21.66	\$ 22.17
Investment total return †† . . . . .	(0.82)%	24.11%	16.47%	(9.32)%	8.82%	44.38%
<b>Ratios to Average Net Assets and Supplemental Data:</b>						
Net assets including liquidation value of preferred shares, end of period (in 000's) . . . . .	\$2,501,779	\$2,629,129	\$2,397,663	\$2,198,198	\$2,410,290	\$2,460,474
Net assets attributable to common shares, end of period (in 000's) . . . . .	\$1,974,300	\$2,069,871	\$1,838,405	\$1,738,940	\$1,951,032	\$2,001,217
Ratio of net investment income to average net assets attributable to common shares before preferred share distributions . . . . .	1.74%(c)	1.38%	1.69%	1.60%	1.71%	1.65%
Ratio of operating expenses to average net assets attributable to common shares before fees waived(d) . . . . .	1.36%(c)(e)	1.38%(e)	1.39%(e)	1.33%(e)	1.36%	1.34%
Ratio of operating expenses to average net assets attributable to common shares net of advisory fee reduction, if any (f) . . . . .	1.14%(c)(e)	1.38%(e)	1.39%(e)	1.09%(e)	1.36%	1.34%
Portfolio turnover rate . . . . .	6.1%	13.3%	15.6%	8.1%	18.4%	15.8%

See accompanying notes to financial statements.

# The Gabelli Dividend & Income Trust

## Financial Highlights (Continued)

### Selected data for a common share of beneficial interest outstanding throughout each period:

	Six Months Ended	Year Ended December 31,				
	June 30, 2018 (Unaudited)	2017	2016	2015	2014	2013
<b>Cumulative Preferred Shares:</b>						
<b>5.875% Series A Preferred</b>						
Liquidation value, end of period (in 000's)	\$ 76,201	\$ 76,201	\$ 76,201	\$ 76,201	\$ 76,201	\$ 76,200
Total shares outstanding (in 000's)	3,048	3,048	3,048	3,048	3,048	3,048
Liquidation preference per share	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
Average market value (g)	\$ 25.68	\$ 26.31	\$ 26.32	\$ 25.63	\$ 25.26	\$ 25.31
Asset coverage per share(h)	\$ 118.57	\$ 117.53	\$ 107.18	\$ 119.66	\$ 131.21	\$ 133.94
<b>Series B Auction Market Preferred</b>						
Liquidation value, end of period (in 000's)	\$ 90,000	\$ 90,000	\$ 90,000	\$ 90,000	\$ 90,000	\$ 90,000
Total shares outstanding (in 000's)	4	4	4	4	4	4
Liquidation preference per share	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Liquidation value (i)	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Asset coverage per share(h)	\$ 118,572	\$ 117,528	\$ 107,181	\$ 119,660	\$ 131,206	\$ 133,938
<b>Series C Auction Market Preferred</b>						
Liquidation value, end of period (in 000's)	\$ 108,000	\$ 108,000	\$ 108,000	\$ 108,000	\$ 108,000	\$ 108,000
Total shares outstanding (in 000's)	4	4	4	4	4	4
Liquidation preference per share	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Liquidation value (i)	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Asset coverage per share(h)	\$ 118,572	\$ 117,528	\$ 107,181	\$ 119,660	\$ 131,206	\$ 133,938
<b>6.000% Series D Preferred</b>						
Liquidation value, end of period (in 000's)	\$ 31,779	\$ 63,557	\$ 63,557	\$ 63,557	\$ 63,557	\$ 63,557
Total shares outstanding (in 000's)	1,271	2,542	2,542	2,542	2,542	2,542
Liquidation preference per share	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
Average market value (g)	\$ 25.99	\$ 26.57	\$ 26.58	\$ 25.70	\$ 25.53	\$ 26.25
Asset coverage per share(h)	\$ 118.57	\$ 117.53	\$ 107.18	\$ 119.66	\$ 131.21	\$ 133.94
<b>Series E Auction Rate Preferred</b>						
Liquidation value, end of period (in 000's)	\$ 121,500	\$ 121,500	\$ 121,500	\$ 121,500	\$ 121,500	\$ 121,500
Total shares outstanding (in 000's)	5	5	5	5	5	5
Liquidation preference per share	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Liquidation value (i)	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Asset coverage per share(h)	\$ 118,572	\$ 117,528	\$ 107,181	\$ 119,660	\$ 131,206	\$ 133,938
<b>5.250% Series G Preferred</b>						
Liquidation value, end of period (in 000's)	\$ 100,000	\$ 100,000	\$ 100,000	—	—	—
Total shares outstanding (in 000's)	4,000	4,000	4,000	—	—	—
Liquidation preference per share	\$ 25.00	\$ 25.00	\$ 25.00	—	—	—
Average market value (g)	\$ 25.02	\$ 25.29	\$ 25.20	—	—	—
Asset coverage per share(h)	\$ 118.57	\$ 117.53	\$ 107.18	—	—	—
<b>Asset Coverage (j)</b>	474%	470%	429%	479%	525%	536%

† Based on net asset value per share and reinvestment of distributions at net asset value on the ex-dividend date. Total return for a period of less than one year is not annualized.

†† Based on market value per share, adjusted for reinvestment of distributions at prices obtained under the Fund's dividend reinvestment plan. Total return for a period of less than one year is not annualized.

\* Based on year to date book income. Amounts are subject to change and recharacterization at year end.

(a) Calculated based on average common shares outstanding on the record dates throughout the years.

(b) Amount represents less than \$0.005 per share.

(c) Annualized.

(d) Ratio of operating expenses to average net assets including liquidation value of preferred shares before fee waived for the six months ended June 30, 2018 and the years ended December 31, 2017, 2016, 2015, 2014, and 2013 would have been 1.07%, 1.07%, 1.07%, 1.07%, 1.10%, and 1.07%, respectively.

(e) The Fund received credits from a designated broker who agreed to pay certain Fund operating expenses. For the six months ended June 30, 2018 and the years ended December 31, 2017, 2016, and 2015, there was no impact on the expense ratios.

(f) Ratio of operating expenses to average net assets including liquidation value of preferred shares net of advisory fee reduction for the six months ended June 30, 2018 and the years ended December 31, 2017, 2016, 2015, 2014, and 2013 would have been 0.89%, 1.07%, 1.07%, 0.88%, 1.10%, and 1.07%, respectively.

(g) Based on weekly prices.

(h) Asset coverage per share is calculated by combining all series of preferred shares.

(i) Since February 2008, the weekly auctions have failed. Holders that have submitted orders have not been able to sell any or all of their shares in the auction.

(j) Asset coverage is calculated by combining all series of preferred shares.

See accompanying notes to financial statements.

## The Gabelli Dividend & Income Trust

### Notes to Financial Statements (Unaudited)

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**1. Organization.** The Gabelli Dividend & Income Trust (the “Fund”) currently operates as a diversified closed-end management investment company organized as a Delaware statutory trust on November 18, 2003 and registered under the Investment Company Act of 1940, as amended (the “1940 Act”). Investment operations commenced on November 28, 2003.

The Fund’s investment objective is to provide a high level of total return on its assets with an emphasis on dividends and income. The Fund will attempt to achieve its investment objective by investing, under normal market conditions, at least 80% of its assets in dividend paying securities (such as common and preferred stock) or other income producing securities (such as fixed income debt securities and securities that are convertible into equity securities).

**2. Significant Accounting Policies.** As an investment company, the Fund follows the investment company accounting and reporting guidance, which is part of U.S. generally accepted accounting principles (“GAAP”) that may require the use of management estimates and assumptions in the preparation of its financial statements. Actual results could differ from those estimates. The following is a summary of significant accounting policies followed by the Fund in the preparation of its financial statements.

**Security Valuation.** Portfolio securities listed or traded on a nationally recognized securities exchange or traded in the U.S. over-the-counter market for which market quotations are readily available are valued at the last quoted sale price or a market’s official closing price as of the close of business on the day the securities are being valued. If there were no sales that day, the security is valued at the average of the closing bid and asked prices or, if there were no asked prices quoted on that day, then the security is valued at the closing bid price on that day. If no bid or asked prices are quoted on such day, the security is valued at the most recently available price or, if the Board of Trustees (the “Board”) so determines, by such other method as the Board shall determine in good faith to reflect its fair market value. Portfolio securities traded on more than one national securities exchange or market are valued according to the broadest and most representative market, as determined by Gabelli Funds, LLC (the “Adviser”).

Portfolio securities primarily traded on a foreign market are generally valued at the preceding closing values of such securities on the relevant market, but may be fair valued pursuant to procedures established by the Board if market conditions change significantly after the close of the foreign market, but prior to the close of business on the day the securities are being valued. Debt obligations for which market quotations are readily available are valued at the average of the latest bid and asked prices. If there were no asked prices quoted on such day, the security is valued using the closing bid price, unless the Board determines such amount does not reflect the securities’ fair value, in which case these securities will be fair valued as determined by the Board. Certain securities are valued principally using dealer quotations. Futures contracts are valued at the closing settlement price of the exchange or board of trade on which the applicable contract is traded. OTC futures and options on futures for which market quotations are readily available will be valued by quotations received from a pricing service or, if no quotations are available from a pricing service, by quotations obtained from one or more dealers in the instrument in question by the Adviser.

Securities and assets for which market quotations are not readily available are fair valued as determined by the Board. Fair valuation methodologies and procedures may include, but are not limited to: analysis and review of available financial and non-financial information about the company; comparisons with the valuation and changes in valuation of similar securities, including a comparison of foreign securities with the equivalent U.S.

## The Gabelli Dividend & Income Trust

### Notes to Financial Statements (Unaudited) (Continued)

dollar value American Depositary Receipt securities at the close of the U.S. exchange; and evaluation of any other information that could be indicative of the value of the security.

The inputs and valuation techniques used to measure fair value of the Fund's investments are summarized into three levels as described in the hierarchy below:

- Level 1 — quoted prices in active markets for identical securities;
- Level 2 — other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.); and
- Level 3 — significant unobservable inputs (including the Board's determinations as to the fair value of investments).

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input both individually and in the aggregate that is significant to the fair value measurement. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of the Fund's investments in securities by inputs used to value the Fund's investments as of June 30, 2018 is as follows:

	Valuation Inputs			Total Market Value at 6/30/18
	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	
<b>INVESTMENTS IN SECURITIES:</b>				
<b>ASSETS (Market Value):</b>				
Common Stocks:				
Aerospace	\$ 64,766,518	—	\$137,274	\$ 64,903,792
Energy and Utilities: Integrated	33,419,532	—	58,565	33,478,097
Entertainment	41,888,246	\$ 327,349	—	42,215,595
Food and Beverage	350,622,400	1,145,372	—	351,767,772
Other Industries (a)	1,969,577,393	—	—	1,969,577,393
<b>Total Common Stocks</b>	<b>2,460,274,089</b>	<b>1,472,721</b>	<b>195,839</b>	<b>2,461,942,649</b>
Closed-End Funds	3,660,500	—	—	3,660,500
Convertible Preferred Stocks (a)	2,620,850	5,985,000	—	8,605,850
Preferred Stocks (a)	106,611	2,489,809	—	2,596,420
Rights (a)	—	7,226	—	7,226
Convertible Corporate Bonds (a)	—	1,650,863	—	1,650,863
Corporate Bonds (a)	—	49,250	—	49,250
U.S. Government Obligations	—	23,189,224	—	23,189,224
<b>TOTAL INVESTMENTS IN SECURITIES – ASSETS</b>	<b>\$2,466,662,050</b>	<b>\$34,844,093</b>	<b>\$195,839</b>	<b>\$2,501,701,982</b>

(a) Please refer to the Schedule of Investments for the industry classifications of these portfolio holdings.

During the six months ended June 30, 2018, the Fund had transfers of \$1,263,603 or 0.06% and \$306,720 or 0.02% of net assets as of December 31, 2017 from Level 1 to Level 2 and Level 2 to Level 1, respectively. Transfers from Level 1 to Level 2 and Level 2 to Level 1 are due to a decline or an increase in market activity, e.g., frequency of trades, respectively, which resulted in a decrease or an increase in available market inputs to determine price. The Fund's policy is to recognize transfers among Levels as of the beginning of the reporting period.



## The Gabelli Dividend & Income Trust

### Notes to Financial Statements (Unaudited) (Continued)

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#### Additional Information to Evaluate Qualitative Information.

**General.** The Fund uses recognized industry pricing services – approved by the Board and unaffiliated with the Adviser – to value most of its securities, and uses broker quotes provided by market makers of securities not valued by these and other recognized pricing sources. Several different pricing feeds are received to value domestic equity securities, international equity securities, preferred equity securities, and fixed income securities. The data within these feeds are ultimately sourced from major stock exchanges and trading systems where these securities trade. The prices supplied by external sources are checked by obtaining quotations or actual transaction prices from market participants. If a price obtained from the pricing source is deemed unreliable, prices will be sought from another pricing service or from a broker/dealer that trades that security or similar securities.

**Fair Valuation.** Fair valued securities may be common or preferred equities, warrants, options, rights, or fixed income obligations. Where appropriate, Level 3 securities are those for which market quotations are not available, such as securities not traded for several days, or for which current bids are not available, or which are restricted as to transfer. When fair valuing a security, factors to consider include recent prices of comparable securities that are publicly traded, reliable prices of securities not publicly traded, the use of valuation models, current analyst reports, valuing the income or cash flow of the issuer, or cost if the preceding factors do not apply. A significant change in the unobservable inputs could result in a lower or higher value in Level 3 securities. The circumstances of Level 3 securities are frequently monitored to determine if fair valuation measures continue to apply.

The Adviser reports quarterly to the Board the results of the application of fair valuation policies and procedures. These may include backtesting the prices realized in subsequent trades of these fair valued securities to fair values previously recognized.

**Securities Sold Short.** The Fund may enter into short sale transactions. Short selling involves selling securities that may or may not be owned and, at times, borrowing the same securities for delivery to the purchaser, with an obligation to replace such borrowed securities at a later date. The proceeds received from short sales are recorded as liabilities and the Fund records an unrealized gain or loss to the extent of the difference between the proceeds received and the value of an open short position on the day of determination. The Fund records a realized gain or loss when the short position is closed out. By entering into a short sale, the Fund bears the market risk of an unfavorable change in the price of the security sold short. Dividends on short sales are recorded as an expense by the Fund on the ex-dividend date and interest expense is recorded on the accrual basis. The broker retains collateral for the value of the open positions, which is adjusted periodically as the value of the position fluctuates.

**Investments in Other Investment Companies.** The Fund may invest, from time to time, in shares of other investment companies (or entities that would be considered investment companies but are excluded from the definition pursuant to certain exceptions under the 1940 Act) (the “Acquired Funds”) in accordance with the 1940 Act and related rules. Shareholders in the Fund would bear the pro rata portion of the periodic expenses of the Acquired Funds in addition to the Fund’s expenses. For the six months ended June 30, 2018, the Fund’s pro rata portion of the periodic expenses charged by the Acquired Funds was less than 1 basis point.

## The Gabelli Dividend & Income Trust

### Notes to Financial Statements (Unaudited) (Continued)

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**Foreign Currency Translations.** The books and records of the Fund are maintained in U.S. dollars. Foreign currencies, investments, and other assets and liabilities are translated into U.S. dollars at current exchange rates. Purchases and sales of investment securities, income, and expenses are translated at the exchange rate prevailing on the respective dates of such transactions. Unrealized gains and losses that result from changes in foreign exchange rates and/or changes in market prices of securities have been included in unrealized appreciation/depreciation on investments and foreign currency translations. Net realized foreign currency gains and losses resulting from changes in exchange rates include foreign currency gains and losses between trade date and settlement date on investment securities transactions, foreign currency transactions, and the difference between the amounts of interest and dividends recorded on the books of the Fund and the amounts actually received. The portion of foreign currency gains and losses related to fluctuation in exchange rates between the initial purchase trade date and subsequent sale trade date is included in realized gain/(loss) on investments.

**Foreign Securities.** The Fund may directly purchase securities of foreign issuers. Investing in securities of foreign issuers involves special risks not typically associated with investing in securities of U.S. issuers. The risks include possible revaluation of currencies, the inability to repatriate funds, less complete financial information about companies, and possible future adverse political and economic developments. Moreover, securities of many foreign issuers and their markets may be less liquid and their prices more volatile than securities of comparable U.S. issuers.

**Foreign Taxes.** The Fund may be subject to foreign taxes on income, gains on investments, or currency repatriation, a portion of which may be recoverable. The Fund will accrue such taxes and recoveries as applicable, based upon its current interpretation of tax rules and regulations that exist in the markets in which it invests.

**Restricted Securities.** The Fund is not subject to an independent limitation on the amount it may invest in securities for which the markets are restricted. Restricted securities include securities whose disposition is subject to substantial legal or contractual restrictions. The sale of restricted securities often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than the sale of securities eligible for trading on national securities exchanges or in the over-the-counter markets. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale. Securities freely saleable among qualified institutional investors under special rules adopted by the SEC may be treated as liquid if they satisfy liquidity standards established by the Board. The continued liquidity of such securities is not as well assured as that of publicly traded securities, and, accordingly, the Board will monitor their liquidity. For restricted securities the Fund held as of June 30, 2018, refer to the Schedule of Investments.

**Securities Transactions and Investment Income.** Securities transactions are accounted for on the trade date with realized gain/(loss) on investments determined by using the identified cost method. Interest income (including amortization of premium and accretion of discount) is recorded on an accrual basis. Premiums and discounts on debt securities are amortized using the effective yield to maturity method. Dividend income is recorded on the ex-dividend date, except for certain dividends from foreign securities that are recorded as soon after the ex-dividend date as the Fund becomes aware of such dividends.

**Custodian Fee Credits.** When cash balances are maintained in the custody account, the Fund receives credits which are used to offset custodian fees. The gross expenses paid under the custody arrangement are included in custodian fees in the Statement of Operations with the corresponding expense offset, if any, shown as "Custodian fee credits."

## The Gabelli Dividend & Income Trust

### Notes to Financial Statements (Unaudited) (Continued)

**Distributions to Shareholders.** Distributions to common shareholders are recorded on the ex-dividend date. Distributions to shareholders are based on income and capital gains as determined in accordance with federal income tax regulations, which may differ from income and capital gains as determined under GAAP. These differences are primarily due to differing treatments of income and gains on various investment securities held by the Fund, timing differences, and differing characterizations of distributions made by the Fund. Distributions from net investment income for federal income tax purposes include net realized gains on foreign currency transactions. These book/tax differences are either temporary or permanent in nature. To the extent these differences are permanent, adjustments are made to the appropriate capital accounts in the period when the differences arise. These reclassifications have no impact on the NAV of the Fund.

Under the Fund's current common share distribution policy, the Fund declares and pays monthly distributions from net investment income, capital gains, and paid-in capital. The actual source of the distribution is determined after the end of the calendar year. Pursuant to this policy, distributions during the year may be made in excess of required distributions. To the extent such distributions are made from current earnings and profits, they are considered ordinary income or long term capital gains. The Fund's current distribution policy may restrict the Fund's ability to pass through to shareholders all of its net realized long term capital gains as a Capital Gain Distribution, subject to the maximum federal income tax rate and may cause such gains to be treated as ordinary income. Distributions sourced from paid-in capital should not be considered as dividend yield or the total return from an investment in the Fund. The Board will continue to monitor the Fund's distribution level, taking into consideration the Fund's NAV and the financial market environment. The Fund's distribution policy is subject to modification by the Board at any time.

Distributions to shareholders of the Fund's 5.875% Series A Preferred Shares, Series B Auction Market Preferred Shares, Series C Auction Market Preferred Shares, 6.000% Series D Preferred Shares, Series E Auction Rate Preferred Shares, and 5.250% Series G Preferred Shares ("Preferred Shares") are recorded on a daily basis and are determined as described in Note 5.

The tax character of distributions paid during the year ended December 31, 2017 was as follows:

	<u>Common</u>	<u>Preferred</u>
<b>Distributions paid from:</b>		
Ordinary income (inclusive of short term gain) .....	\$ 23,259,325	\$ 5,209,062
Net long term capital gains .....	79,490,563	17,802,379
Return of capital .....	6,060,914	—
Total distributions paid .....	<u>\$108,810,802</u>	<u>\$23,011,441</u>

**Provision for Income Taxes.** The Fund intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"). It is the policy of the Fund to comply with the requirements of the Code applicable to regulated investment companies and to distribute substantially all of its net investment company taxable income and net capital gains. Therefore, no provision for federal income taxes is required.

## The Gabelli Dividend & Income Trust

### Notes to Financial Statements (Unaudited) (Continued)

The following summarizes the tax cost of investments and the related net unrealized appreciation at June 30, 2018:

	<u>Cost</u>	<u>Gross Unrealized Appreciation</u>	<u>Gross Unrealized Depreciation</u>	<u>Net Unrealized Appreciation</u>
Investments . . . . .	\$1,723,350,645	\$866,658,161	\$(88,306,824)	\$778,351,337

The Fund is required to evaluate tax positions taken or expected to be taken in the course of preparing the Fund's tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. Income tax and related interest and penalties would be recognized by the Fund as tax expense in the Statement of Operations if the tax positions were deemed not to meet the more-likely-than-not threshold. During the six months ended June 30, 2018, the Fund did not incur any income tax, interest, or penalty. As of June 30, 2018, the Adviser has reviewed all open tax years and concluded that there was no impact to the Fund's net assets or results of operations. The Fund's federal and state tax returns for the prior three fiscal years remain open, subject to examination. On an ongoing basis, the Adviser will monitor the Fund's tax positions to determine if adjustments to this conclusion are necessary.

**3. Investment Advisory Agreement and Other Transactions.** The Fund has entered into an investment advisory agreement (the "Advisory Agreement") with the Adviser which provides that the Fund will pay the Adviser a fee, computed weekly and paid monthly, equal on an annual basis to 1.00% of the value of the Fund's average weekly net assets including the liquidation value of preferred shares. In accordance with the Advisory Agreement, the Adviser provides a continuous investment program for the Fund's portfolio and oversees the administration of all aspects of the Fund's business and affairs.

The Adviser has agreed to reduce the management fee on the incremental assets attributable to the Series A, Series B, Series C, Series D, and Series E Preferred Shares if the total return of the NAV of the common shares of the Fund, including distributions and advisory fee subject to reduction, does not exceed the stated dividend rate of each particular series of the Preferred Shares for the year. The Fund's total return on the NAV of the common shares is monitored on a monthly basis to assess whether the total return on the NAV of the common shares exceeds the stated dividend rate or corresponding swap rate of each particular series of Preferred Shares for the period. For the six months ended June 30, 2018, the Fund's total return on the NAV of the common shares did not exceed the stated dividend rate or corresponding swap rate on each of the outstanding Preferred Shares. Thus, advisory fees with respect to the liquidation value of the Preferred Shares were reduced by \$2,257,391. Advisory fees were accrued on Series G.

During the six months ended June 30, 2018, the Fund paid \$47,968 in brokerage commissions on security trades to G.research, LLC, an affiliate of the Adviser.

During the six months ended June 30, 2018, the Fund received credits from a designated broker who agreed to pay certain Fund operating expenses. The amount of such expenses paid through this directed brokerage arrangement during this period was \$8,330.

The cost of calculating the Fund's NAV per share is a Fund expense pursuant to the Advisory Agreement. During the six months ended June 30, 2018, the Fund accrued \$22,500 in accounting fees in the Statement of Operations.

## The Gabelli Dividend & Income Trust

### Notes to Financial Statements (Unaudited) (Continued)

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As per the approval of the Board, the Fund compensates officers of the Fund, who are employed by the Fund and are not employed by the Adviser (although the officers may receive incentive based variable compensation from affiliates of the Adviser). During the six months ended June 30, 2018 the Fund accrued \$121,400 in payroll expenses in the Statement of Operations.

The Fund pays each Trustee who is not considered an affiliated person an annual retainer of \$18,000 plus \$2,000 for each Board meeting attended. Each Trustee is reimbursed by the Fund for any out of pocket expenses incurred in attending meetings. All Board committee members receive \$1,000 per meeting attended, the Audit Committee Chairman receives an annual fee of \$3,000, and the Nominating Committee Chairman and the Lead Trustee each receives an annual fee of \$2,000. A Trustee may receive a single meeting fee, allocated among the participating funds, for participation in certain meetings held on behalf of multiple funds. Trustees who are directors or employees of the Adviser or an affiliated company receive no compensation or expense reimbursement from the Fund.

**4. Portfolio Securities.** Purchases and sales of securities during the six months ended June 30, 2018, other than short term securities and U.S. Government obligations, aggregated \$156,278,779, and \$212,360,237, respectively.

**5. Capital.** The Fund is authorized to issue an unlimited number of common shares of beneficial interest (par value \$0.001). The Board has authorized the repurchase and retirement of its shares on the open market when the shares are trading at a discount of 7.5% or more (or such other percentage as the Board may determine from time to time) from the NAV of the shares. During the six months ended June 30, 2018 and the year ended December 31, 2017, the Fund did not repurchase any common shares.

As of June 30, 2018, the Fund has \$400 million available for issuing additional common or preferred shares or notes under the current shelf registration.

The Fund's Declaration of Trust, as amended, authorizes the issuance of an unlimited number of shares of \$0.001 par value Preferred Shares. The Preferred Shares are senior to the common shares and result in the financial leveraging of the common shares. Such leveraging tends to magnify both the risks and opportunities to common shareholders. Dividends on the Preferred Shares are cumulative. The Fund is required by the 1940 Act and by the Statements of Preferences to meet certain asset coverage tests with respect to the Preferred Shares. If the Fund fails to meet these requirements and does not correct such failure, the Fund may be required to redeem, in part or in full, the Series A, Series B, Series C, Series D, Series E, and Series G Preferred Shares at redemption prices of \$25, \$25,000, \$25,000, \$25, \$25,000, and \$25, respectively, per share plus an amount equal to the accumulated and unpaid dividends whether or not declared on such shares in order to meet these requirements. Additionally, failure to meet the foregoing asset coverage requirements could restrict the Fund's ability to pay dividends to common shareholders and could lead to sales of portfolio securities at inopportune times. The income received on the Fund's assets may vary in a manner unrelated to the fixed and variable rates, which could have either a beneficial or detrimental impact on net investment income and gains available to common shareholders.

For Series B, Series C, and Series E Preferred Shares, the dividend rates, as set by the auction process that is generally held every seven days, are expected to vary with short term interest rates. Since February 2008, the number of Series B, Series C, and Series E Preferred Shares subject to bid orders by potential holders

## The Gabelli Dividend & Income Trust

### Notes to Financial Statements (Unaudited) (Continued)

has been less than the number of shares of Series B, Series C, and Series E Preferred Shares subject to sell orders. Holders that have submitted sell orders have not been able to sell any or all of the Series B, Series C, and Series E Preferred Shares for which they have submitted sell orders. Therefore the weekly auctions have failed, and the dividend rate has been the maximum rate. The current maximum rate for Series B, Series C, and Series E Preferred Shares is 150, 150, and 250, respectively, basis points greater than the seven day ICE LIBOR rate on the date of such auction. Existing Series B, Series C, and Series E Preferred shareholders may submit an order to hold, bid, or sell such shares on each auction date, or trade their shares in the secondary market. There were no redemptions of Series B, Series C, and Series E Preferred Shares during the six months ended June 30, 2018.

The Fund may redeem in whole or in part the 5.875% Series A and 6.000% Series D Preferred Shares at the redemption price at any time. Commencing July 1, 2021 and at any time thereafter, the Fund, at its option, may redeem the 5.250% Series G Cumulative Preferred Shares in whole or in part at the redemption price. The Board has authorized the repurchase of Series A, Series D, and Series G Preferred Shares in the open market at prices less than the \$25 liquidation value per share. During the six months ended June 30, 2018, the Fund redeemed and retired 1,271,148 shares of the 6.000% Series D Preferred Stock at the liquidation value of \$31,778,700. During the six months ended June 30, 2018 and the year ended December 31, 2017, the Fund did not repurchase any shares of Series A or Series G Preferred Shares.

The Fund has the authority to purchase its auction rate and auction market preferred shares through negotiated private transactions. The Fund is not obligated to purchase any dollar amount or number of auction rate or auction market preferred shares, and the timing and amount of any auction rate or auction market preferred shares purchased will depend on market conditions, share price, capital availability, and other factors. The Fund is not soliciting holders to sell these shares nor recommending that holders offer them to the Fund. Any offers can be accepted or rejected in the Fund's discretion.

The following table summarizes Cumulative Preferred Share information:

Series	Issue Date	Authorized	Number of Shares Outstanding at 06/30/18	Net Proceeds	2018 Dividend Rate Range	Dividend Rate at 06/30/18	Accrued Dividend at 06/30/18
A 5.875%	October 12, 2004	3,200,000	3,048,019	\$ 77,280,971	Fixed Rate	5.875%	\$62,177
B Auction Market	October 12, 2004	4,000	3,600	98,858,617	2.964% to 3.487%	3.487%	26,153
C Auction Market	October 12, 2004	4,800	4,320	118,630,341	2.965% to 3.482%	3.480%	10,440
D 6.000%	November 3, 2005	2,600,000	1,271,148	62,617,239	Fixed Rate	6.000%	26,482
E Auction Rate	November 3, 2005	5,400	4,860	133,379,387	3.965% to 4.953%	4.953%	33,433
G 5.250%	July 1, 2016	4,000,000	4,000,000	96,634,565	Fixed Rate	5.250%	72,917

The holders of Preferred Shares generally are entitled to one vote per share held on each matter submitted to a vote of shareholders of the Fund and will vote together with holders of common shares as a single class. The holders of Preferred Shares voting together as a single class also have the right currently to elect two Trustees and under certain circumstances are entitled to elect a majority of the Board of Trustees. In addition, the affirmative vote of a majority of the votes entitled to be cast by holders of all outstanding shares of the Preferred Shares, voting as a single class, will be required to approve any plan of reorganization adversely affecting the Preferred Shares, and the approval of two-thirds of each class, voting separately, of the Fund's outstanding voting stock must approve the conversion of the Fund from a closed-end to an open-end investment company. The approval of a majority (as defined in the 1940 Act) of the outstanding Preferred Shares and a

## The Gabelli Dividend & Income Trust

### Notes to Financial Statements (Unaudited) (Continued)

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majority (as defined in the 1940 Act) of the Fund's outstanding voting securities are required to approve certain other actions, including changes in the Fund's investment objectives or fundamental investment policies.

**6. Indemnifications.** The Fund enters into contracts that contain a variety of indemnifications. The Fund's maximum exposure under these arrangements is unknown. However, the Fund has not had prior claims or losses pursuant to these contracts. Management has reviewed the Fund's existing contracts and expects the risk of loss to be remote.

**7. Subsequent Events.** Management has evaluated the impact on the Fund of all subsequent events occurring through the date the financial statements were issued and has determined that there were no subsequent events requiring recognition or disclosure in the financial statements.

## The Gabelli Dividend & Income Trust

### Notes to Financial Statements (Unaudited) (Continued)

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#### Certifications

The Fund's Chief Executive Officer has certified to the New York Stock Exchange ("NYSE") that, as of May 23, 2018, he was not aware of any violation by the Fund of applicable NYSE corporate governance listing standards. The Fund reports to the SEC on Form N-CSR which contains certifications by the Fund's principal executive officer and principal financial officer that relate to the Fund's disclosure in such reports and that are required by Rule 30a-2(a) under the 1940 Act.

#### Shareholder Meeting – May 14, 2018 – Final Results

The Fund's Annual Meeting of Shareholders was held on May 14, 2018 in Greenwich, Connecticut. At that meeting, common and preferred shareholders, voting together as a single class, elected Salvatore M. Salibello and Edward T. Tokar as Trustees of the Fund. A total of 82,879,876 votes and 83,025,481 votes were cast in favor of these Trustees, and a total of 2,138,949 votes and 1,993,285 votes were withheld for these Trustees, respectively.

In addition, preferred shareholders, voting as a separate class, elected James P. Conn as a Trustee of the Fund. A total of 8,055,167 votes were cast in favor of this Trustee and a total of 275,258 votes were withheld for this Trustee.

Mario J. Gabelli, Anthony J. Colavita, Frank J. Fahrenkopf, Jr., Michael J. Melarkey, Anthonie C. van Ekris, Susan V. Watson, and Salvatore J. Zizza continue to serve in their capacities as Trustees of the Fund.

Effective May 16, 2018, Kuni Nakamura was appointed to the Board.

We thank you for your participation and appreciate your continued support.

We have separated the portfolio managers' commentary from the financial statements and investment portfolio due to corporate governance regulations stipulated by the Sarbanes-Oxley Act of 2002. We have done this to ensure that the content of the portfolio managers' commentary is unrestricted. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at [www.gabelli.com](http://www.gabelli.com).

The Net Asset Value per share appears in the Publicly Traded Funds column, under the heading "General Equity Funds," in Monday's The Wall Street Journal. It is also listed in Barron's Mutual Funds/Closed End Funds section under the heading "General Equity Funds."

The Net Asset Value per share may be obtained each day by calling (914) 921-5070 or visiting [www.gabelli.com](http://www.gabelli.com).

The NASDAQ symbol for the Net Asset Value is "XGDVX."

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940, as amended, that the Fund may from time to time purchase its common shares in the open market when the Fund's shares are trading at a discount of 7.5% or more from the net asset value of the shares. The Fund may also from time to time purchase its preferred shares in the open market when the preferred shares are trading at a discount to the liquidation value.



**THE GABELLI DIVIDEND & INCOME TRUST**  
**One Corporate Center**  
**Rye, NY 10580-1422**

**Portfolio Management Team Biographies**



**Mario J. Gabelli, CFA**, is Chairman, Chief Executive Officer, and Chief Investment Officer - Value Portfolios of GAMCO Investors, Inc. that he founded in 1977, and Chief Investment Officer - Value Portfolios of Gabelli Funds, LLC and GAMCO Asset Management Inc. He is also Executive Chairman of Associated Capital Group, Inc. Mr. Gabelli is a summa cum laude graduate of Fordham University and holds an MBA degree from Columbia Business School and Honorary Doctorates from Fordham University and Roger Williams University.



**Christopher J. Marangi** joined Gabelli in 2003 as a research analyst. Currently he is a Managing Director and Co-Chief Investment Officer for GAMCO Investors, Inc.'s Value team. In addition, he serves as a portfolio manager of Gabelli Funds, LLC and manages several funds within the Gabelli/GAMCO Fund Complex. Mr. Marangi graduated magna cum laude and Phi Beta Kappa with a BA in Political Economy from Williams College and holds an MBA degree with honors from Columbia Business School.



**Kevin V. Dreyer** joined Gabelli in 2005 as a research analyst covering companies within the consumer sector. Currently he is a Managing Director and Co-Chief Investment Officer for GAMCO Investors, Inc.'s Value team. In addition, he serves as a portfolio manager of Gabelli Funds, LLC and manages several funds within the Gabelli/GAMCO Fund Complex. Mr. Dreyer received a BSE from the University of Pennsylvania and an MBA degree from Columbia Business School.



**Sarah Donnelly** joined Gabelli in 1999 as a junior research analyst working with the consumer staples and media analysts. Currently she is a Portfolio Manager of Gabelli Funds, LLC, a Senior Vice President and the Food, Household, and Personal Care products research analyst for Gabelli & Company. In 2013, she was named the Health & Wellness research platform leader. Ms. Donnelly received a BS in Business Administration with a concentration in Finance and minor in History from Fordham University.



**Robert D. Leininger, CFA**, joined GAMCO Investors, Inc. in 1993 as an equity analyst. Subsequently, he was a partner and portfolio manager at Rorer Asset Management before rejoining GAMCO in 2010 where he currently serves as a portfolio manager of Gabelli Funds, LLC. Mr. Leininger is a magna cum laude graduate of Amherst College with a degree in Economics and holds an MBA degree from the Wharton School at the University of Pennsylvania.



**Jeffrey J. Jonas, CFA**, joined Gabelli in 2003 as a research analyst focusing on companies across the healthcare industry. In 2006, he began serving as a portfolio manager of Gabelli Funds, LLC and manages several funds within the Gabelli/GAMCO Fund Complex. Mr. Jonas was a Presidential Scholar at Boston College, where he received a BS in Finance and Management Information Systems.



**Brian C. Sponheimer** is a portfolio manager and research analyst, responsible for coverage of automotive, trucking, and machinery stocks. In 2010, 2011, and 2016, Brian was recognized by various financial publications, including the Wall Street Journal and the Financial Times, as a “Best on the Street” analyst. He began his business career in institutional equities at CIBC World Markets in New York and Boston. Brian graduated cum laude from Harvard University with a BA in Government and received an MBA in Finance and Economics from Columbia Business School.



**Regina M. Pitaro** is a Managing Director and Head of Institutional Marketing at GAMCO Investors, Inc. Ms. Pitaro joined the firm in 1984 and coordinates the organization's focus with consultants and plan sponsors. She also serves as a Managing Director and Director of GAMCO Asset Management, Inc., and serves as a portfolio manager for Gabelli Funds, LLC. Ms. Pitaro holds an MBA in Finance from the Columbia University Graduate School of Business, a Master's degree in Anthropology from Loyola University of Chicago, and a Bachelor's degree from Fordham University.



**Howard F. Ward, CFA**, joined Gabelli Funds in 1995 and currently serves as GAMCO's Chief Investment Officer of Growth Equities as well as a Gabelli Funds, LLC portfolio manager for several funds within the Gabelli/GAMCO Fund Complex. Prior to joining Gabelli, Mr. Ward served as Managing Director and Lead Portfolio Manager for several Scudder mutual funds. He also was an Investment Officer in the Institutional Investment Department with Brown Brothers, Harriman & Co. Mr. Ward received his BA in Economics from Northwestern University.

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