

# The Gabelli Dividend & Income Trust

## Shareholder Commentary – September 30, 2018

### (Y)our Portfolio Management Team

#### To Our Shareholders,

For the quarter ended September 30, 2018, the net asset value (“NAV”) total return of The Gabelli Dividend & Income Trust (the “Fund”) was 6.0%, compared with a total return of 7.7% for the Standard & Poor’s (“S&P”) 500 Index. The total return for the Fund’s publicly traded shares was 7.4%. The Fund’s NAV per share was \$25.06, while the price of the publicly traded shares closed at \$23.90 on the New York Stock Exchange (“NYSE”).

#### In Review

During the third quarter of 2018, the stock market continued its upward climb. The S&P 500 Index rose every quarter of 2017 and every quarter of this year with the exception of the first quarter, during which it was only down marginally. Through the third quarter of 2018, the overall market (as measured by the S&P 500 Index) is up by over 10% for the year on a total return basis. However, growth stocks have been leading the market, not just year-to-date but also for the past five years, as value stocks have lagged. Growth stocks, measured by the S&P/Citigroup Growth Index, are up over 17% year to date. Value stocks, as measured by the S&P/Citigroup Value Index, are up by 3.5% so far this year. Many large cap technology-focused stocks have been driving the overall market, and they account for a considerable part of the gains that the market has seen. Some of these stocks do not pay a dividend, which is a characteristic we like to have in (y)our Fund 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 expect both earnings growth and deal activity to accelerate with earnings for the S&P 500 up more than 10% in 2018, driven by fiscal stimulus, tax cuts, less regulation, and a favorable business climate. Deal activity should also increase, 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% in real terms during 2017, and we expect that economic growth will continue at least at a 3% rate during 2018. Inflation, as measured by the Consumer Price Index, has started to move up slightly, and we expect that inflation will hover slightly above 2% for 2018, a level that central bankers should be comfortable with as they gradually raise short term rates. The unemployment rate, now just below 4%, stands at a multi-decade 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.

## Comparative Results

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

	Quarter	1 Year	5 Year	10 Year	Since Inception (11/28/03)
<b>Gabelli Dividend &amp; Income Trust</b>					
NAV Total Return (b) .....	6.04%	10.14%	9.22%	10.39%	8.40%
Investment Total Return (c) .....	7.40	13.00	11.40	13.34	8.57
S&P 500 Index .....	7.71	17.91	13.95	11.97	9.29
Dow Jones Industrial Average .....	9.60	20.71	14.51	12.17	9.64
Nasdaq Composite Index .....	7.41	25.16	17.34	15.12	10.54

- (a) Returns represent past performance and do not guarantee future results. Investment returns and the principal value of an investment will fluctuate. The Fund's use of leverage may magnify the volatility of net asset value changes versus funds that do not employ leverage. 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.

The U.S economic expansion has been going since June 2009, according to the National Bureau of Economic Research. That means we are now in the second longest expansion in the U.S., besting the 106-month run of the 1960s. The longest expansion on record was from 1991-2001. If the trend goes on for another year, as we expect it will, then this will be the longest on record. Record keeping of such economic data began around the time of the American Civil War.

## The State of Washington

Since late 2017, the 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 competitive with other Organisation for Economic Cooperation and Development 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, which 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, but 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 been 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 eight times, the latest taking the Fed Funds rate to a range of 2.00% – 2.25%. Current expectations are for possibly one additional rate increase in 2018 and two 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, has expressed a comfort level with this course.

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 were very different from today. A future recession may be unavoidable, but it need not be triggered by the Fed anytime soon. What is clear is that monetary policy has gone from being a tailwind to being a potential 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 third quarter of 2018, U.S. companies continued to increase their dividends, and the dividend payout ratio stood at about 40%. At the end of the quarter, the dividend yield on the S&P 500 was approximately 2%, while the 10 year U.S. Treasury yielded just over 3%.

## **Investment Scorecard**

During the third quarter of 2018, the S&P 500 was up about 7.7% on a total return basis, and all of the eleven sectors that make up the S&P 500 index were up. The three best performing sectors during the quarter were Health Care (up 14.5%), Industrials (up 10.0%), and Telecom (up 9.9%). The Telecom sector was reconfigured during the quarter, and now includes stocks such as Facebook and the former Google. The three worst performing sectors, all of which were up by less than 1%, were Materials, Energy, and Real Estate

Some of the stocks in the Fund that drove performance during the third quarter were Honeywell, Pfizer, and CVS Health, all of which were up by over 10%. Honeywell is a large industrial conglomerate that raised earnings guidance and gave more information about its planned spin-off of Resideo. Health care company Pfizer raised guidance and has promising products in its pipeline, while CVS Health also raised guidance.

Among the worst performing stocks in the Fund during the third quarter were General Electric, Kraft-Heinz, and Legg Mason. These three stocks were each down over 10%. General Electric is a large conglomerate that has been experiencing problems in its Power Division, which generated very good profit growth in the past. Legg Mason is a traditional asset management firm that had slight outflows in long term assets during part of the quarter. Food company Kraft Heinz is currently struggling with slow top line growth.

## 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 September 30, 2018.

*American Express Co. (AXP – \$106.49 – 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. As of September 2018, American Express has 115 million cards in force and nearly \$78 billion in loans, while its customers charged over \$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.

*Bank of New York Mellon Corp. (BK – \$50.99 – NYSE)* is a global leader in providing financial services to institutions and individuals. The company operates in more than 100 markets worldwide and strives to be the global provider of choice for investment management and investment services. As of September 2018, the firm had \$34.5 trillion in assets under custody and \$1.8 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.

*Genuine Parts Co. (GPC – \$99.40 – 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.

*Honeywell International Inc. (HON – \$166.40 – NYSE)* operates as a diversified technology company with highly engineered products, including turbine propulsion engines, auxiliary power units, aircraft brake pads, environmental control systems, engine controls, communications and navigation systems, sensors, home automation, catalysts and absorbents and process technology for the petrochemical and refining industries and warehouse automation equipment and software. 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.

*JPMorgan Chase & Co. (JPM – \$112.84 – 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 has positioned the company nicely for future growth.

*Mondelēz International Inc. (MDLZ – \$42.96 – 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, Mondelēz 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. This narrows the company's product focus, as nearly 85% of Mondelēz's \$26 billion of revenue is derived from snacking, including leading brands such as Oreo, LU, and Ritz biscuits, Trident gum, and Cadbury and Milka chocolates. The company continues to execute against its plan to accelerate growth and to improve margins, targeting 17% in 2018.

*Pfizer (PFE – \$44.07 – NYSE)*, headquartered in New York, New York, is a leading global pharmaceutical company with 2017 revenues of \$52.5 billion. The company's product portfolio includes nine blockbusters with over \$1 billion of annual sales in therapeutic areas such as cancer, cardiovascular disease, immunology, neurology, and vaccines. The company recently announced plans to reorganize into three business structures: Innovative Health (new drugs with patent exclusivity); Essential Health (legacy products); and Consumer (\$3.5 billion portfolio, including Advil, Centrum, ChapStick, and Robitussin). This reorganization will be overseen by Dr. Albert Bourla, who will succeed Ian Read as CEO in January 2019.

*Textron Inc. (TXT – \$71.47 – 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. Textron's AT-6 aircraft is also competing for a potential sizable Light Attack Contract with the U.S. Air Force. 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. In its industrial business, Textron has sold its non-core tools and test equipment business and acquired Arctic Cat, with the latter experiencing headwinds tied to carryover product and dealer dynamics. Notwithstanding the Arctic Cat challenges, we view management as solid operators and good strategic acquirers.

*Wells Fargo & Co. (WFC – \$52.56 – NYSE)* is a diversified financial services company. Headquartered in San Francisco, California, the firm provides banking, insurance, investments, mortgage, and consumer and commercial finance through more than 9,000 stores and 12,000 ATMs. Wells Fargo serves one in three households in America and, as of March 2018, it had \$2.0 trillion in customer assets. Longer term, we expect

Wells Fargo to continue to grow market share of domestic deposits due to its strong brand and diversified product base.

*Xylem Inc. (XYL – \$79.87 – 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.

October 12, 2018

<b>Top Ten Holdings</b> <b>September 30, 2018</b>	
JPMorgan Chase & Co.	MasterCard Inc.
Honeywell International Inc.	Mondelēz International Inc.
American Express Co.	Verizon Communications Inc.
Swedish Match AB	Genuine Parts Co.
The Bank of New York Mellon Corp.	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 September 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 third quarter of 2018.

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

Pursuant to its distribution policy, the Fund paid \$0.11 per share cash distributions on July 24, 2018, August 24, 2018, and September 21, 2018 to common shareholders of record on July 17, 2018, August 17, 2018, and September 14, 2018, respectively, for a total distribution of \$0.33 per share during the third 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 23% from net investment income and 77% 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.

### **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 September 26, 2018, to preferred shareholders of record on September 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 December 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 September 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 third quarter of 2018.

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

During the third 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 3.449% to 3.667%, 3.449% to 3.696%, and 4.858% to 5.407%, 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 September 30, 2018, the maximum rate for Series B and Series C Preferred Shares was 150 basis points greater than the seven day ICE 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 September 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 23% from net investment income and 77% 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.

### **Series E Auction Rate Preferred Share – Partial Redemption**

The Fund will redeem approximately 18% (860 of 4,860 shares) of its outstanding Series E Auction Rate Preferred Shares (the “Series E Preferred”) as authorized by the Board. The shares will be redeemed at \$25,000 per Series E Preferred (the liquidation preference) plus accumulated and unpaid dividends and distributions through the redemption date of November 15, 2018 (the “Redemption Price”). From and after the redemption date, these Series E Preferred being redeemed will no longer be deemed outstanding, dividends will cease to accumulate and all the rights of the Series E Preferred shareholders with respect to such Series E Preferred being redeemed will cease, except the right to receive the Redemption Price, without interest.

Depository Trust Company (“DTC”), the holder of record, determines the allocation of the partial series redemption among each participant account. Each participant account, as nominee for underlying beneficial owners (street name shareholders), in turn determines the allocations of redeemed shares among underlying beneficial owners. The procedures used by various participant accounts to allocate redeemed shares among beneficial owners may differ from other participant accounts as well as from the procedures used by DTC.

## **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 up to the maximum federal income tax rate. 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)**

Please visit us on the Internet. Our homepage at [www.gabelli.com](http://www.gabelli.com) contains information about GAMCO Investors, Inc., the Gabelli/GAMCO Closed-End Funds and Mutual Funds, IRAs, 401(k)s, current and historical quarterly reports, closing prices, and other current news. We welcome your comments and questions via e-mail at [closedend@gabelli.com](mailto:closedend@gabelli.com).

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).

## THE GABELLI DIVIDEND & INCOME TRUST AND YOUR PERSONAL PRIVACY

### **Who are we?**

The Gabelli Dividend & Income Trust (the “Fund”) is a closed-end management investment company registered with the Securities and Exchange Commission under the Investment Company Act of 1940. We are managed by Gabelli Funds, LLC, which is affiliated with GAMCO Investors, Inc. GAMCO Investors, Inc. is a publicly held company that has subsidiaries and affiliates that provide investment advisory services for a variety of clients.

### **What kind of non-public information do we collect about you if you become a fund shareholder?**

When you purchase shares of the Fund on the New York Stock Exchange, you have the option of registering directly with our transfer agent in order, for example, to participate in our dividend reinvestment plan.

- *Information you give us on your application form.* This could include your name, address, telephone number, social security number, bank account number, and other information.
- *Information about your transactions with us.* This would include information about the shares that you buy or sell; it may also include information about whether you sell or exercise rights that we have issued from time to time. If we hire someone else to provide services—like a transfer agent—we will also have information about the transactions that you conduct through them.

### **What information do we disclose and to whom do we disclose it?**

We do not disclose any non-public personal information about our customers or former customers to anyone other than our affiliates, our service providers who need to know such information, and as otherwise permitted by law. If you want to find out what the law permits, you can read the privacy rules adopted by the Securities and Exchange Commission. They are in volume 17 of the Code of Federal Regulations, Part 248. The Commission often posts information about its regulations on its website, [www.sec.gov](http://www.sec.gov).

### **What do we do to protect your personal information?**

We restrict access to non-public personal information about you to the people who need to know that information in order to provide services to you or the fund and to ensure that we are complying with the laws governing the securities business. We maintain physical, electronic, and procedural safeguards to keep your personal information confidential.

## **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 Trust Company, N.A.  
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 Trust Company, N.A., 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. 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

One Corporate Center  
Rye, NY 10580-1422

t 800-GABELLI (800-422-3554)

f 914-921-5118

e [info@gabelli.com](mailto:info@gabelli.com)

[GABELLI.COM](http://GABELLI.COM)

### TRUSTEES

Mario J. Gabelli, CFA  
Chairman &  
Chief Executive Officer,  
GAMCO Investors Inc.  
Executive Chairman,  
Associated Capital Group Inc.

Anthony S. Colavita  
Attorney  
Anthony S. 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  
Former President,  
Investor Relations Association

Salvatore J. Zizza  
Chairman,  
Zizza & Associates Corp.

### OFFICERS

Bruce N. Alpert  
President

John C. Ball  
Treasurer

Agnes Mullady  
Vice President

Andrea R. Mango  
Secretary & Vice President

Richard J. Walz  
Chief Compliance Officer

Carter W. Austin  
Vice President & Ombudsman

Laurissa M. Martire  
Vice President & Ombudsman

David I. Schachter  
Vice President

### INVESTMENT ADVISER

Gabelli Funds, LLC  
One Corporate Center  
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*  
*September 30, 2018*

# The Gabelli Dividend & Income Trust

## Third Quarter Report — September 30, 2018

### To Our Shareholders,

For the quarter ended September 30, 2018, the net asset value (NAV) total return of The Gabelli Dividend & Income Trust (the Fund) was 6.0%, compared with a total return of 7.7% for the Standard & Poor's (S&P) 500 Index. The total return for the Fund's publicly traded shares was 7.4%. The Fund's NAV per share was \$25.06, while the price of the publicly traded shares closed at \$23.90 on the New York Stock Exchange (NYSE). See page below for additional performance information.

Enclosed is the schedule of investments as of September 30, 2018.

### Comparative Results

<b>Average Annual Returns through September 30, 2018 (a) (Unaudited)</b>					Since Inception (11/28/03)
	Quarter	1 Year	5 Year	10 Year	
<b>Gabelli Dividend &amp; Income Trust</b>					
NAV Total Return (b) . . . . .	6.04%	10.14%	9.22%	10.39%	8.40%
Investment Total Return (c) . . . . .	7.40	13.00	11.40	13.34	8.57
S&P 500 Index . . . . .	7.71	17.91	13.95	11.97	9.29
Dow Jones Industrial Average . . . . .	9.60	20.71	14.51	12.17	9.64
Nasdaq Composite Index . . . . .	7.41	25.16	17.34	15.12	10.54

(a) *Returns represent past performance and do not guarantee future results. Investment returns and the principal value of an investment will fluctuate. The Fund's use of leverage may magnify the volatility of net asset value changes versus funds that don't employ leverage. 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.





# The Gabelli Dividend & Income Trust

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

Shares		Market Value	Shares		Market Value
	<b>COMMON STOCKS (Continued)</b>		875,000	Weatherford International plc†	\$ 2,371,250
	<b>Energy and Utilities: Integrated (Continued)</b>				<u>40,703,020</u>
50,000	The Chugoku Electric Power Co. Inc.	\$ 642,493		<b>Energy and Utilities: Water — 0.3%</b>	
20,000	The Kansai Electric Power Co. Inc.	301,531	12,000	American States Water Co.	733,680
45,000	Tohoku Electric Power Co. Inc.	610,720	17,500	American Water Works Co. Inc.	1,539,475
27,000	Vectren Corp.	1,930,230	39,500	Aqua America Inc.	1,457,550
		<u>36,802,983</u>	50,000	Mueller Water Products Inc., Cl. A	575,500
	<b>Energy and Utilities: Natural Gas — 1.4%</b>		38,000	Severn Trent plc	915,800
20,000	CNX Resources Corp.†	286,200	29,000	SJW Group	1,773,350
90,000	Kinder Morgan Inc.	1,595,700	8,000	The York Water Co.	243,200
362,000	National Fuel Gas Co.	20,293,720	6,000	United Utilities Group plc, ADR	110,520
36,666	National Grid plc	378,216			<u>7,349,075</u>
24,750	National Grid plc, ADR	1,283,535		<b>Entertainment — 1.8%</b>	
14,000	ONEOK Inc.	949,060	14,900	Activision Blizzard Inc.	1,239,531
65,000	Sempra Energy	7,393,750	139,000	Discovery Inc., Cl. C†	4,111,620
30,000	South Jersey Industries Inc.	1,058,100	8,981	Liberty Media Corp.- Liberty Braves, Cl. C†	244,732
44,000	Southwest Gas Holdings Inc.	3,477,320	5,430	Netflix Inc.†	2,031,526
		<u>36,715,601</u>	16,000	Take-Two Interactive Software Inc.†	2,207,840
	<b>Energy and Utilities: Oil — 6.0%</b>		31,733	The Madison Square Garden Co, Cl. A†	10,006,050
91,403	Anadarko Petroleum Corp.	6,161,476	17,200	The Walt Disney Co.	2,011,368
37,000	Apache Corp.	1,763,790	157,653	Twenty-First Century Fox Inc., Cl. A	7,304,064
87,000	BP plc, ADR	4,010,700	238,000	Twenty-First Century Fox Inc., Cl. B	10,905,160
35,000	Chesapeake Energy Corp.†	157,150	17,000	Viacom Inc., Cl. A	621,350
143,222	Chevron Corp.	17,513,186	64,000	Viacom Inc., Cl. B	2,160,640
190,772	ConocoPhillips	14,765,753	165,000	Vivendi SA	4,247,176
95,000	Devon Energy Corp.	3,794,300	300,000	Wow Unlimited Media Inc.†(b)	278,713
130,000	Eni SpA, ADR	4,895,800			<u>47,369,770</u>
495,000	Equinor ASA, ADR	13,959,000		<b>Environmental Services — 1.6%</b>	
85,000	Exxon Mobil Corp.	7,226,700	200,000	Republic Services Inc.	14,532,000
22,700	Hess Corp.	1,624,866	23,000	Veolia Environnement SA	459,044
25,600	KLX Energy Services Holdings Inc.†	819,456	99,222	Waste Connections Inc.	7,914,939
210,000	Marathon Oil Corp.	4,888,800	216,600	Waste Management Inc.	19,571,976
260,000	Marathon Petroleum Corp.	20,792,200			<u>42,477,959</u>
10,000	Murphy Oil Corp.	333,400		<b>Equipment and Supplies — 1.8%</b>	
183,900	Occidental Petroleum Corp.	15,111,063	92,000	CIRCOR International Inc.	4,370,000
200	PetroChina Co. Ltd., ADR	16,288	12,300	Danaher Corp.	1,336,518
20,000	Petroleo Brasileiro SA, ADR	241,400	146,000	Flowserve Corp.	7,984,740
128,000	Phillips 66	14,428,160	158,000	Graco Inc.	7,321,720
200,000	Repsol SA, ADR	3,978,000	160,000	Mueller Industries Inc.	4,636,800
194,800	Royal Dutch Shell plc, Cl. A, ADR	13,273,672	598,000	RPC Inc.	9,257,040
89,500	TOTAL SA, ADR	5,762,905	130,000	Sealed Air Corp.	5,219,500
		<u>155,518,065</u>	46,000	Tenaris SA, ADR	1,541,920
	<b>Energy and Utilities: Services — 1.6%</b>		94,000	The Timken Co.	4,685,900
47,000	ABB Ltd., ADR	1,110,610			<u>46,354,138</u>
295,000	Baker Hughes, a GE Company	9,979,850			
44,000	Diamond Offshore Drilling Inc.†	880,000			
365,145	Halliburton Co.	14,799,327			
49,000	Oceaneering International Inc.†	1,352,400			
167,590	Schlumberger Ltd.	10,209,583			

See accompanying notes to schedule of investments.



# The Gabelli Dividend & Income Trust

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

Shares		Market Value	Shares		Market Value
<b>COMMON STOCKS (Continued)</b>					
<b>Financial Services — 17.2%</b>					
8,000	Alleghany Corp.	\$ 5,220,240	12,500	Brown-Forman Corp., Cl. B	\$ 631,875
453,108	American Express Co.	48,251,471	80,300	Campbell Soup Co.	2,941,389
380,452	American International Group Inc.	20,255,265	1,000,000	China Mengniu Dairy Co. Ltd.	3,327,649
270,200	Bank of America Corp.	7,960,092	66,000	Chr. Hansen Holding A/S	6,699,777
14,500	Berkshire Hathaway Inc., Cl. B†	3,104,595	425,000	Conagra Brands Inc.	14,437,250
17,800	BlackRock Inc.	8,389,674	21,700	Constellation Brands Inc., Cl. A	4,678,954
19,500	Brookfield Asset Management Inc., Cl. A	868,335	184,000	Danone SA	14,249,324
30,000	Cannae Holdings Inc.†	628,500	3,850,000	Davide Campari-Milano SpA	32,787,737
95,339	Citigroup Inc.	6,839,620	80,000	Diageo plc, ADR	11,333,600
75,000	Cohen & Steers Inc.	3,045,750	70,954	Flowers Foods Inc.	1,324,002
27,000	Cullen/Frost Bankers Inc.	2,819,880	361,900	General Mills Inc.	15,532,748
4,000	EXOR NV	268,527	18,000	Heineken Holding NV	1,630,113
8,000	FCB Financial Holdings Inc., Cl. A†	379,200	275,000	ITO EN Ltd.	12,198,557
90,000	Fidelity National Financial Inc.	3,541,500	86,600	Kellogg Co.	6,063,732
285,000	H&R Block Inc.	7,338,750	198,000	Keurig Dr Pepper Inc.	4,587,660
37,000	HSBC Holdings plc, ADR	1,627,630	350,000	Kikkoman Corp.	20,823,799
49,498	Interactive Brokers Group Inc., Cl. A	2,737,734	190,000	Lamb Weston Holdings Inc.	12,654,000
170,000	Invesco Ltd.	3,889,600	100,000	Maple Leaf Foods Inc.	2,404,676
499,217	JPMorgan Chase & Co.	56,331,646	3,000	McCormick & Co. Inc., Cl. V	394,500
135,000	KeyCorp.	2,685,150	90,000	Molson Coors Brewing Co., Cl. B	5,535,000
30,000	Kinnevik AB, Cl. B	908,365	801,694	Mondelēz International Inc., Cl. A	34,440,774
117,000	KKR & Co. Inc., Cl. A	3,190,590	30,000	Morinaga Milk Industry Co. Ltd.	814,557
468,452	Legg Mason Inc.	14,629,756	2,000	National Beverage Corp.†	233,240
42,000	M&T Bank Corp.	6,910,680	22,000	Nestlé SA	1,834,155
189,452	Morgan Stanley	8,822,780	35,000	Nestlé SA, ADR	2,912,000
72,000	National Australia Bank Ltd., ADR	725,760	160,000	Nissin Foods Holdings Co. Ltd.	10,998,064
168,000	Navient Corp.	2,264,640	1,740,151	Parmalat SpA	5,737,938
160,000	New York Community Bancorp Inc.	1,659,200	339,450	Parmalat SpA, GDR(b)(c)	1,119,710
110,000	Northern Trust Corp.	11,234,300	163,100	PepsiCo Inc.	18,234,580
310,151	Oaktree Specialty Lending Corp.	1,538,349	62,000	Pernod Ricard SA	10,171,487
198,689	PayPal Holdings Inc.†	17,452,842	45,000	Pinnacle Foods Inc.	2,916,450
75,000	Resona Holdings Inc.	421,339	25,000	Post Holdings Inc.†	2,451,000
190,000	SLM Corp.†	2,118,500	25,000	Remy Cointreau SA	3,256,743
221,000	State Street Corp.	18,515,380	18,000	Suntory Beverage & Food Ltd.	762,014
218,900	T. Rowe Price Group Inc.	23,899,502	477,000	The Coca-Cola Co.	22,032,630
808,900	The Bank of New York Mellon Corp.	41,245,811	7,000	The J.M. Smucker Co.	718,270
71,000	The Blackstone Group LP	2,703,680	265,212	The Kraft Heinz Co.	14,615,833
2,000	The Goldman Sachs Group Inc.	448,480	25,000	Unilever plc, ADR	1,374,250
145,000	The Hartford Financial Services Group Inc.	7,244,200	277,000	Yakult Honsha Co. Ltd.	22,697,324
233,000	The PNC Financial Services Group Inc.	31,732,270			<u>331,763,363</u>
99,700	The Travelers Companies Inc.	12,932,087	<b>Health Care — 9.2%</b>		
44,271	U.S. Bancorp	2,337,952	192,000	Abbott Laboratories	14,085,120
49,000	W. R. Berkley Corp.	3,916,570	7,500	Aetna Inc.	1,521,375
550,000	Waddell & Reed Financial Inc., Cl. A	11,649,000	70,000	Akorn Inc.†	908,600
605,300	Wells Fargo & Co.	31,814,568	10,000	Alexion Pharmaceuticals Inc.†	1,390,100
6,000	Willis Towers Watson plc	845,640	3,400	Align Technology Inc.†	1,330,148
		<u>447,345,400</u>	67,300	Allergan plc	12,819,304
			62,000	AmerisourceBergen Corp.	5,717,640
			12,500	Anthem Inc.	3,425,625
			10,000	Argenx SE, ADR†	758,400
			12,500	athenahealth Inc.†	1,670,000
12,000	Ajinomoto Co. Inc.	206,002			

See accompanying notes to schedule of investments.

# The Gabelli Dividend & Income Trust

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

Shares		Market Value	Shares		Market Value
	<b>COMMON STOCKS (Continued)</b>				
	<b>Health Care (Continued)</b>		400,000	Mandarin Oriental International Ltd.	\$ 820,000
			25,000	MGM Resorts International	697,750
40,000	Baxter International Inc.	\$ 3,083,600	35,000	Ryman Hospitality Properties Inc., REIT	3,015,950
18,900	Becton, Dickinson and Co.	4,932,900	7,000	Wyndham Destinations Inc.	303,520
735,000	BioScrip Inc.†	2,278,500	6,000	Wyndham Hotels & Resorts Inc.	333,420
36,000	Bristol-Myers Squibb Co.	2,234,880			<u>12,722,798</u>
12,500	Cardiovascular Systems Inc.†	489,250		<b>Machinery — 2.1%</b>	
10,000	Charles River Laboratories International Inc.†	1,345,400	8,500	Astec Industries Inc.	428,485
5,000	Chemed Corp.	1,597,900	170,000	CNH Industrial NV, Borsa Italiana	2,042,866
10,000	Cigna Corp.	2,082,500	1,190,000	CNH Industrial NV, New York	14,291,900
40,000	DaVita Inc.†	2,865,200	88,000	Deere & Co.	13,229,040
8,000	Edwards Lifesciences Corp.†	1,392,800	6,500	Oshkosh Corp.	463,060
85,000	Eli Lilly & Co.	9,121,350	289,000	Xylem Inc.	23,082,430
85,000	Envision Healthcare Corp.†	3,887,050			<u>53,537,781</u>
175,000	Evolent Health Inc., Cl. A†	4,970,000		<b>Metals and Mining — 0.7%</b>	
45,000	Express Scripts Holding Co.†	4,275,450	65,000	Agnico Eagle Mines Ltd.	2,223,000
40,000	Gerresheimer AG	3,378,653	29,563	Alliance Resource Partners LP	603,085
58,543	Gilead Sciences Inc.	4,520,105	172,588	Barrick Gold Corp.	1,912,275
25,000	HCA Healthcare Inc.	3,478,000	8,000	BHP Billiton Ltd., ADR	398,720
35,000	Henry Schein Inc.†	2,976,050	36,000	Franco-Nevada Corp.	2,252,003
4,300	Humana Inc.	1,455,636	145,000	Freeport-McMoRan Inc.	2,018,400
4,400	Illumina Inc.†	1,615,064	285,332	Newmont Mining Corp.	8,617,026
7,000	Incyte Corp.†	483,560	88,004	TimkenSteel Corp.†	1,308,620
20,000	Integer Holdings Corp.†	1,659,000			<u>19,333,129</u>
2,500	Intuitive Surgical Inc.†	1,435,000		<b>Paper and Forest Products — 0.1%</b>	
117,100	Johnson & Johnson	16,179,707	64,000	International Paper Co.	3,145,600
130,000	Kindred Healthcare Inc.†(a)	1,170,000		<b>Publishing — 0.0%</b>	
27,500	Laboratory Corp. of America Holdings†	4,776,200	600	Graham Holdings Co., Cl. B	347,580
8,000	Ligand Pharmaceuticals Inc.†	2,195,920	65,000	News Corp., Cl. B	884,000
20,000	McKesson Corp.	2,653,000			<u>1,231,580</u>
40,000	Medtronic plc	3,934,800		<b>Real Estate — 0.5%</b>	
229,679	Merck & Co. Inc.	16,293,428	9,000	American Tower Corp., REIT	1,307,700
50,000	Mylan NV†	1,830,000	55,600	Crown Castle International Corp., REIT	6,189,948
140,000	NeoGenomics Inc.†	2,149,000	1,500	Equinix Inc., REIT	649,335
50,000	Nevro Corp.†	2,850,000	18,000	Forest City Realty Trust Inc., Cl. A, REIT	451,620
45,000	Orthofix Medical Inc.†	2,601,450	16,000	QTS Realty Trust Inc., Cl. A, REIT	682,720
171,600	Osiris Therapeutics Inc.†	1,904,760	50,000	Uniti Group Inc., REIT†	1,007,500
113,000	Owens & Minor Inc.	1,866,760	55,000	Weyerhaeuser Co., REIT	1,774,850
164,000	Patterson Cos. Inc.	4,009,800			<u>12,063,673</u>
557,424	Pfizer Inc.	24,565,676		<b>Retail — 3.6%</b>	
25,000	Shire plc, ADR	4,531,750	117,500	AutoNation Inc.†	4,882,125
21,800	Stryker Corp.	3,873,424	2,900	AutoZone Inc.†	2,249,530
13,000	The Cooper Companies Inc.	3,602,950	2,300	Costco Wholesale Corp.	540,224
30,000	UnitedHealth Group Inc.	7,981,200	248,500	CVS Health Corp.	19,561,920
43,000	Zimmer Biomet Holdings Inc.	5,653,210	156,000	Hertz Global Holdings Inc.†	2,547,480
157,702	Zoetis Inc.	14,439,195	125,000	Ingles Markets Inc., Cl. A	4,281,250
		<u>238,246,390</u>	90,000	Lowe's Companies Inc.	10,333,800
			70,000	Macy's Inc.	2,431,100
	<b>Hotels and Gaming — 0.5%</b>				
19,000	Accor SA	975,490			
95,000	Boyd Gaming Corp.	3,215,750			
23,034	GVC Holdings plc	275,758			
52,000	Las Vegas Sands Corp.	3,085,160			

See accompanying notes to schedule of investments.

# The Gabelli Dividend & Income Trust

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

Shares		Market Value	Shares		Market Value
	<b>COMMON STOCKS (Continued)</b>				
	<b>Retail (Continued)</b>		150,000	VEON Ltd., ADR	\$ 435,000
6,000	MSC Industrial Direct Co. Inc., Cl. A	\$ 528,660	635,886	Verizon Communications Inc.	33,949,954
39,000	Murphy USA Inc.†	3,332,940	130,000	Vodafone Group plc, ADR	2,821,000
27,400	Nike Inc., Cl. B	2,321,328			<u>97,851,885</u>
8,000	Rush Enterprises Inc., Cl. A	314,480		<b>Transportation — 0.9%</b>	
25,000	Rush Enterprises Inc., Cl. B	997,250	30,000	Daseke Inc.†	240,600
261,000	Sally Beauty Holdings Inc.†	4,799,790	29,000	Fortress Transportation & Infrastructure Investors LLC	527,220
110,000	Seven & i Holdings Co. Ltd.	4,898,785	239,000	GATX Corp.	20,695,010
75,517	Starbucks Corp.	4,292,386	16,500	Kansas City Southern	1,869,120
40,200	The Home Depot Inc.	8,327,430			<u>23,331,950</u>
18,100	The TJX Companies Inc.	2,027,562		<b>Wireless Communications — 0.2%</b>	
4,500	Ulta Beauty Inc.†	1,269,540	130,000	United States Cellular Corp.†	5,821,400
160,200	Walgreens Boots Alliance Inc.	11,678,580		<b>TOTAL COMMON STOCKS</b>	<u>2,544,432,427</u>
20,000	Walmart Inc.	1,878,200		<b>CLOSED-END FUNDS — 0.1%</b>	
		<u>93,494,360</u>	50,000	Alta Inc.†	3,406,000
16,300	<b>Semiconductors — 0.2%</b>			<b>CONVERTIBLE PREFERRED STOCKS — 0.3%</b>	
	NVIDIA Corp.	4,580,626	126,000	<b>Energy and Utilities — 0.2%</b>	
				El Paso Energy Capital Trust I, 4.750%	5,920,740
35,000	<b>Specialty Chemicals — 2.1%</b>		51,000	<b>Telecommunications — 0.1%</b>	
60,000	Air Products & Chemicals Inc.	5,846,750		Cincinnati Bell Inc., 6.750%, Ser. B	2,499,510
1,000	Ashland Global Holdings Inc.	5,031,600		<b>TOTAL CONVERTIBLE PREFERRED STOCKS</b>	<u>8,420,250</u>
322,469	Axalta Coating Systems Ltd.†	29,160		<b>PREFERRED STOCKS — 0.1%</b>	
445,000	DowDuPont Inc.	20,737,981	2,000	<b>Consumer Services — 0.0%</b>	
16,500	Ferro Corp.†	10,332,900		GCI Liberty Inc., 7.000%, Ser. A	50,140
35,000	GCP Applied Technologies Inc.†	438,075	133,681	<b>Health Care — 0.1%</b>	
85,000	International Flavors & Fragrances Inc.	4,869,200		The Phoenix Companies Inc., 7.450%, 01/15/32	2,510,797
5,000	Olin Corp.	2,182,800		<b>TOTAL PREFERRED STOCKS</b>	<u>2,560,937</u>
5,000	Praxair Inc.	803,650		<b>RIGHTS — 0.0%</b>	
9,000	Sensient Technologies Corp.	382,550		<b>Hotels and Gaming — 0.0%</b>	
192,359	The Chemours Co.	354,960		Ladbrokes plc, CVR†	2,542
	Valvoline Inc.	4,137,642			
		<u>55,147,268</u>		<b>Principal Amount</b>	
326,590	<b>Telecommunications — 3.8%</b>		\$ 1,700,000	<b>CONVERTIBLE CORPORATE BONDS — 0.1%</b>	
207,000	AT&T Inc.	10,966,892		<b>Cable and Satellite — 0.1%</b>	
495,000	BCE Inc.	8,387,640		DISH Network Corp., 3.375%, 08/15/26	1,625,652
56,000	Deutsche Telekom AG, ADR	7,932,375		<b>CORPORATE BONDS — 0.0%</b>	
195,000	Harris Corp.	9,475,760		<b>Equipment and Supplies — 0.0%</b>	
75,000	Hellenic Telecommunications Organization SA, ADR	1,187,550	50,000	Mueller Industries Inc., 6.000%, 03/01/27	48,375
50,000	Loral Space & Communications Inc.†	3,405,000			
50,000	Orange SA, ADR	794,500			
39,000	Pharol SGPS SA†	10,275			
50,084	Proximus SA	931,881			
295,000	Telefonica SA, ADR	393,660			
23,000	Telekom Austria AG	2,284,538			
150,000	Telenet Group Holding NV†	1,266,310			
110,000	Telephone & Data Systems Inc.	4,564,500			
135,000	Telstra Corp. Ltd., ADR	1,264,450			
40,000	TELUS Corp.	4,973,400			
	T-Mobile US Inc.†	2,807,200			

See accompanying notes to schedule of investments.

# The Gabelli Dividend & Income Trust

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

<u>Principal Amount</u>	<u>Market Value</u>
<b>U.S. GOVERNMENT OBLIGATIONS — 1.3%</b>	
\$ 34,334,000 U.S. Treasury Bills, 1.930% to 2.165%††, 10/11/18 to 12/27/18 .....	\$ 34,255,987
<b>TOTAL INVESTMENTS — 100.0%</b> (Cost \$1,700,360,656) .....	<u>\$2,594,752,170</u>

† 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

- (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 September 30, 2018, the market value of Rule 144A securities amounted to \$1,398,423 or 0.05% of total investments.
- (c) At September 30, 2018, the Fund held a restricted and illiquid security amounting to \$1,119,710 or 0.04% of total investments, which was valued under methods approved by the Board of Trustees as follows:

<u>Geographic Diversification</u>	<u>% of Total Investments</u>	<u>Market Value</u>
<b>Long Positions</b>		
North America .....	83.8%	\$2,173,790,326
Europe .....	11.7	302,974,904
Japan .....	4.2	108,300,583
Asia/Pacific .....	0.3	8,964,957
Latin America .....	0.0*	721,400
Total Investments .....	<u>100.0%</u>	<u>\$2,594,752,170</u>

\* Amount represents less than 0.05%.

<u>Acquisition Shares</u>	<u>Issuer</u>	<u>Acquisition Dates</u>	<u>Acquisition Cost</u>	<u>9/30/18 Carrying Value Per Share</u>
339,450	Parmalat SpA, GDR . .	12/02/03-12/11/03	\$ 981,615	\$3.2986

See accompanying notes to schedule of investments.

## The Gabelli Dividend & Income Trust

### Notes to Schedule of Investments (Unaudited)

---

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 schedule of investments. 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 schedule of investments.

**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. 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).

## The Gabelli Dividend & Income Trust

### Notes to Schedule of Investments (Unaudited) (Continued)

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 September 30, 2018 is as follows:

	Valuation Inputs			Total Market Value at 9/30/18
	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:				
Energy and Utilities: Integrated	\$ 36,744,756	—	\$ 58,227	\$ 36,802,983
Food and Beverage	330,643,653	\$ 1,119,710	—	331,763,363
Health Care	237,076,390	—	1,170,000	238,246,390
Other Industries (a)	1,937,619,691	—	—	1,937,619,691
Total Common Stocks	2,542,084,490	1,119,710	1,228,227	2,544,432,427
Closed-End Funds	3,406,000	—	—	3,406,000
Convertible Preferred Stocks (a)	8,420,250	—	—	8,420,250
Preferred Stocks (a)	50,140	2,510,797	—	2,560,937
Rights (a)	—	2,542	—	2,542
Convertible Corporate Bonds (a)	—	1,625,652	—	1,625,652
Corporate Bonds (a)	—	48,375	—	48,375
U.S. Government Obligations	—	34,255,987	—	34,255,987
<b>TOTAL INVESTMENTS IN SECURITIES – ASSETS</b>	<b>\$2,553,960,880</b>	<b>\$39,563,063</b>	<b>\$1,228,227</b>	<b>\$2,594,752,170</b>

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

#### 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 Gabelli Dividend & Income Trust

### Notes to Schedule of Investments (Unaudited) (Continued)

---

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

**Limitations on the Purchase and Sale of Futures Contracts, Certain Options, and Swaps.** Subject to the guidelines of the Board, the Fund may engage in “commodity interest” transactions (generally, transactions in futures, certain options, certain currency transactions, and certain types of swaps) only for bona fide hedging or other permissible transactions in accordance with the rules and regulations of the Commodity Futures Trading Commission (CFTC). Pursuant to amendments by the CFTC to Rule 4.5 under the Commodity Exchange Act (CEA), the Adviser has filed a notice of exemption from registration as a “commodity pool operator” with respect to the Fund. The Fund and the Adviser are therefore not subject to registration or regulation as a commodity pool operator under the CEA. In addition, certain trading restrictions are now applicable to the Fund which permit the Fund to engage in commodity interest transactions that include (i) “bona fide hedging” transactions, as that term is defined and interpreted by the CFTC and its staff, without regard to the percentage of the Fund’s assets committed to margin and options premiums and (ii) non-bona fide hedging transactions, provided that the Fund does not enter into such non-bona fide hedging transactions if, immediately thereafter, either (a) the sum of the amount of initial margin deposits on the Fund’s existing futures positions or swaps positions and option or swaption premiums would exceed 5% of the market value of the Fund’s liquidating value, after taking into account unrealized profits and unrealized losses on any such transactions, or (b) the aggregate net notional value of the Fund’s commodity interest transactions would not exceed 100% of the market value of the Fund’s liquidating value, after taking into account unrealized profits and unrealized losses on any such transactions. Therefore, in order to claim the Rule 4.5 exemption, the Fund is limited in its ability to invest in commodity futures, options, and certain types of swaps (including securities futures, broad based stock index futures, and financial futures contracts). As a result, in the future, the Fund will be more limited in its ability to use these instruments than in the past, and these limitations may have a negative impact on the ability of the Adviser to manage the Fund, and on the Fund’s performance.

**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. At September 30, 2018, the Fund’s pro rata portion of the periodic expenses charged by the Acquired Funds was approximately less than 1 basis point.

## The Gabelli Dividend & Income Trust

### Notes to Schedule of Investments (Unaudited) (Continued)

---

**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 the restricted security the Fund held as of September 30, 2018, refer to the Schedule of Investments.

**Tax Information.** 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 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.

## THE GABELLI DIVIDEND & INCOME TRUST

One Corporate Center  
Rye, NY 10580-1422

t 800-GABELLI (800-422-3554)

f 914-921-5118

e [info@gabelli.com](mailto:info@gabelli.com)

[GABELLI.COM](http://GABELLI.COM)

### TRUSTEES

Mario J. Gabelli, CFA  
Chairman and  
Chief Executive Officer,  
GAMCO Investors, Inc.  
Executive Chairman,  
Associated Capital Group, Inc.

Anthony J. 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  
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  
Former President,  
Investor Relations Association

Salvatore J. Zizza  
Chairman,  
Zizza & Associates Corp.

### OFFICERS

Bruce N. Alpert  
President

John C. Ball  
Treasurer

Agnes Mullady  
Vice President

Andrea R. Mango  
Secretary &  
Vice President

Richard J. Walz  
Chief Compliance Officer

Carter W. Austin  
Vice President & Ombudsman

Laurissa M. Martire  
Vice President & Ombudsman

David I. Schachter  
Vice President

### INVESTMENT ADVISER

Gabelli Funds, LLC  
One Corporate Center  
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

*Third Quarter Report  
September 30, 2018*