

The Gabelli Small Cap Growth Fund

Shareholder Commentary

September 30, 2018

To Our Shareholders,

For the quarter ended September 30, 2018, the net asset value (“NAV”) per Class AAA Share of The Gabelli Small Cap Growth Fund increased 2.8% compared with an increase of 3.6% for the Russell 2000 Index. Other classes of shares are available. See page 2 for performance information for all classes.

Third Quarter Commentary

Markets continued to charge ahead in the third quarter, with the S&P 500 again setting record highs in late September. Financial and economic data continue to support the rally: U.S. second quarter GDP growth registered a blistering 4.2%, the unemployment rate fell to a 49-year low at 3.7% in September, and corporate profits soared, with growth of over 16%. This good news was enough to overlook continued trade tensions, Federal Reserve-driven rising interest rates, and uncertainty around the midterm congressional elections.

This being said, there are always uncertainties and potential pitfalls to both markets and the economy. We focus on what we call the “Four Ts”:

- **Tariffs.** Just after quarter end, the Trump Administration announced it had successfully negotiated the USMCA to replace NAFTA. Once ratified, the new agreement would (presumably) lead to an end of trade tensions in North America. Does this mean that the Trump administration will also, after much fiery rhetoric, try to find common ground on trade with the E.U. and China? Time will tell, but it currently appears that any actual economic damage may be short lived.
- **Ten Year.** The 10-Year Treasury note yielded less than 2.5% at the start of 2018. As of this writing, it yields over 3.2%, as higher interest rates are finally becoming a reality. Are current equity multiples sustainable as interest rates continue to rise?
- **Taxes.** The U.S. moved to a territorial tax system from a global system for corporations, which when coupled with a 21% corporate tax rate provides a magnet for businesses to locate here. Another plus is the 100% expensing of capital expenditures for both new and used equipment, which drives increased business spending. Clarity on taxes should also allow for more deal making.
- **Technology.** Winners and losers are being created in a multitude of industries as technology is used to disrupt old business models. Long standing businesses are also employing technology to deepen their economic “moats”, particularly locally-focused service oriented businesses. In the stock market, large cap tech has again been leading growth this year (as for much of the last decade), though tech stock prices started to reflect worries about continued growth after quarter end.

Comparative Results

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

	Quarter	1 Year	5 Year	10 Year	15 Year	Since Inception (10/22/91)
Class AAA (GABSX)	2.76%	7.21%	9.17%	11.08%	10.99%	12.57%
Russell 2000 Index	3.58	15.24	11.07	11.11	10.12	10.12
Class A (GCASX)	2.76	7.21	9.17	11.09	10.99	12.57
With sales charge (c)	(3.15)	1.05	7.89	10.43	10.55	12.32
Class C (GCCSX)	2.58	6.41	8.36	10.26	10.18	12.11
With contingent deferred sales charge (d)	1.58	5.41	8.36	10.26	10.18	12.11
Class I (GACIX)	2.83	7.49	9.45	11.36	11.19	12.68

In the current prospectuses dated January 26, 2018, the expense ratios for Class AAA, A, C, and I Shares are 1.38%, 1.38%, 2.13%, and 1.13%, respectively. Class AAA and Class I Shares have no sales charge. The maximum sales charge for Class A Shares and Class C Shares is 5.75% and 1.00%, respectively.

(a) *Returns represent past performance and do not guarantee future results. Total returns and average annual returns reflect changes in share price, reinvestment of distributions, and are net of expenses. Investment returns and the principal value of an investment will fluctuate. When shares are redeemed, 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 for performance information as of the most recent month end. Returns would have been lower had the Adviser not reimbursed certain expenses of the Fund. The Fund imposes a 2% redemption fee on shares sold or exchanged within seven days of purchase. 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 prospectuses contain information about these and other matters and should be read carefully before investing. To obtain a prospectus, please visit our website at www.gabelli.com. The Class AAA Share NAVs are used to calculate performance for the periods prior to the issuance of Class A Shares and Class C Shares on December 31, 2003, and Class I Shares on January 11, 2008. The actual performance of the Class A Shares and Class C Shares would have been lower due to the additional fees and expenses associated with these classes of shares. The actual performance of the Class I Shares would have been higher due to lower expenses related to this class of shares. Investing in small capitalization securities involves special risks because these securities may trade less frequently and experience more abrupt price movements than large capitalization securities. The Russell 2000 Index is an unmanaged indicator which measures the performance of the small-cap segment of the U.S. equity market. Dividends are considered reinvested. You cannot invest directly in an index.*

(b) The Fund's fiscal year ends September 30.

(c) Performance results include the effect of the maximum 5.75% sales charge at the beginning of the period.

(d) Assuming payment of the 1% maximum contingent deferred sales charge imposed on redemptions made within one year of purchase.

We have separated the portfolio manager's 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 manager's 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.

Deals, Deals & More Deals

Worldwide mergers and acquisitions (M&A) activity totaled \$3.3 trillion during the first nine months of 2018, an increase of 37% compared to the first nine months of 2017 and the strongest first nine months for global M&A on record. The third quarter, however, registered a 32% decline in transaction value compared to the second quarter of the year. Overall, 34,543 deals were announced worldwide during the first nine months of 2018, down 9% from a year ago, indicating that mega deals are continuing to drive transaction value. We continue to anticipate more small and mid-cap companies participating in the current M&A boom as time goes on, especially as potential targets continue to be created via financial engineering.

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.

Clear Channel Outdoor (0.1% of net assets as of September 30, 2018) (CCO – \$5.95 – NYSE) located in San Antonio, Texas, is an outdoor advertising company with billboards, street furniture, transit, and digital displays in global markets. Outdoor advertising represents 4%-6% of total advertising, reaches consumers outside of the home where the propensity to spend is greater, and it cannot be skipped or blocked. iHeart Communication controls CCO with ~87% of the economic and 99% of the vote. iHeart is currently negotiating a bankruptcy exit with its creditors, which include CCO. CCO has businesses in both the U.S. and international markets that could be attractive to a global outdoor operator. We expect that the exit of iHeart from bankruptcy and distribution of iHeart's stake in CCO to creditors could be a catalyst for shares.

Dana Holding Corp. (0.6%) (DAN – \$18.67 – NYSE) is a Maumee, Ohio based supplier of axles, drivelines, and thermal products for the automotive and trucking industries. Dana CEO Jim Kamsickas has set into motion a new enterprise strategy that has levered Dana's expertise in driveline technology to create significant profitable opportunities and drive considerable increases in backlog across each of the company's end markets. Additionally, Dana is optimally situated to benefit from consumer preference for crossovers, trucks, and SUVs.

FCB Financial (0.1%) (FCB – \$47.40 – NYSE) is the largest community bank headquartered in the state of Florida. The company operates 49 branches in the center and south of the state, principally in Miami-Dade, Palm Beach, and Broward counties. FCB focuses on middle-market commercial and industrial, commercial real estate, and residential mortgage lending. On July 24, 2018, FCB management announced an agreement with Columbus, Georgia-headquartered Synovus Financial (SNV) to acquire the company in an all-stock merger to create a \$40+ billion-asset bank with operations throughout the southeast United States.

Federal Signal Corp, (0.6%) (FBS – \$26.78 – NYSE) based in Oak Brook, Illinois, is a diversified industrial manufacturer of specialized environmental cleaning vehicles such as street sweepers, sewer cleaners, and hydroexcavators, as well as safety and security products including audible and visual warning devices for law enforcement, fire, and emergency medical vehicles. The company's Environmental Solutions Group, which serves municipal, industrial, and utility markets, is likely to see continued demand strength for its sub-surface cleaning, safe-digging, infrastructure maintenance, and material hauling products on increased municipal tax receipts and infrastructure spending.

Ferro Corp. (1.3%) (FOE – \$23.22 – NYSE) has transformed itself into a specialty materials company focusing on glass technology and colors. The company's end markets include consumer, electronics, construction, automotive, and appliances. Ferro's upgraded portfolio focuses on its core technologies: coatings, color and glass science. Highly accretive acquisitions have joined the fold, and we expect this trend to continue to target new products, geographic expansion, entry into new markets, and the needed capacity in certain areas. Ferro has moved into its "optimization" program phase which consists of 1) manufacturing efficiencies, 2) having the right capacity at the right place in order to better serve customers, 3) emphasizing high-end products, and 4) successfully cross-selling the recently acquired product lines. Ferro's balance sheet remains conservative in spite of its M&A program and we anticipate additional accretive acquisitions with the company investing, on average, \$100-\$150 million annually. The recent stock market has not been kind to the company's stock, which has declined 31% year-to-date. However, we believe that, while the company's operations will be negatively impacted by recent trends such as negative currency, higher raw materials and freight costs, slower demand in China, and a potential slow-down in building and construction, the sell-off is overdone. In our opinion, Ferro's management intends to maintain reasonable leverage, it is "managing currency," and its upgraded portfolio makes the company more resilient during a potential economic downturn. In addition, we believe that following multi-years of lowering its cost structure, management will effectively adjust costs in a weak-demand environment. We are projecting 2018 EPS of \$1.57, followed by \$1.80, \$2.10, and \$2.35 for 2019, 2020, and 2021, respectively. Based on our current assumptions we calculate a 2019 PMV of \$31.

Flowers Foods Inc. (0.3%) (FLO – \$18.66 – NYSE) is the second-leading manufacturer and marketer in the fresh bread category. Fresh bakery is one of the largest retail categories, generating \$24 billion in retail sales. The bread category has undergone considerable consolidation over the last decade as the three largest manufacturers' branded products represent approximately 51% of the market. Flowers continues to shift its portfolio to faster-growing segments of the baking industry, including premium, specialty, in-store bakery, and organics. In 2015, the company acquired Dave's Killer Bread, which is the leading organic bread brand in the U.S. with nearly 60% market share growing strong double-digits. In conjunction with growing sales, the company is implementing its multiyear cost savings initiatives associated with Project Centennial, which is expected to contribute to EBITDA margin improvement of 250 basis points through 2021.

Griffon Corp. (0.7%) (GFF – \$16.15 – NYSE), based in Jericho, New York, operates Clopay Building Products, which manufactures residential garage doors; Ames True Temper, a leading North American manufacturer of non-powered lawn and garden tools, wheelbarrows, and other landscaping products; and Telephonics, which manufactures electronic systems used by the defense industry in growing areas such as mobile surveillance. In Telephonics, radar and surveillance products cater to a growing area of the global defense industry. Housing end markets have been showing signs of sustained strength at Clopay and Ames, although with potential go forward headwinds from higher interest rates and plateauing housing markets. In the past year, Griffon has added to its home and building portfolio through the \$200 million acquisition of ClosetMaid, a maker of home storage products, and the \$180 million acquisition of Cornell Cookson, a maker of rolling doors and steel grilles. It also disposed of its Clopay Plastics specialty plastics films business for \$400 million. While not immune from macro pressures, Griffon's underlying businesses have considerable asset value not recognized in the public markets.

Hertz Global Holdings Inc. (0.4%) (HTZ – \$16.33 – NYSE) based in Estero, Florida, is the second largest car rental company in the United States. Hertz, which has been challenged in recent years by operational and rental fleet issues, has the potential to double profitability over the next five years through a variety of both financial and management initiatives. Additionally, CEO Kathy Marinello has a credible plan to set Hertz on a

path not only for near term profitability but in the years ahead, as shared mobility services require fleet maintenance.

Kaman Corp. (1.5%) (KAMN – \$66.78 – NYSE) is a diversified company serving the aerospace, defense, and industrial markets. The Aerospace segment manufactures aircraft bearings, precision fuses, composite aerostructures, K-MAX helicopters and performs helicopter subcontract work. In the Distribution segment, the company distributes power transmission, motion control, and fluid power components to a broad range of industries.

Myers Industries Inc. (0.6%) (MYE – \$23.25 – NYSE) is an Akron, Ohio-based multi-industry manufacturer and distributor of a variety of consumable products. The company’s leading portfolio of branded products is in two segments: Material Handling and Distribution. After a series of acquisitions and divestitures over the past several years, Myers is set to thrive as CEO David Banyard implements a new strategy to increase market share and optimize operations in both segments. Ultimately, we see a potential separation of Material Handling and Distribution as a way to surface value for investors.

Tribune Media Company (0.1%) (TRCO – \$38.43 – NYSE), located in Chicago, Illinois, is a diversified media and entertainment business, which operates 42 local television stations and owns 31% of the TV Food Network, which in turn owns cable networks the Food Network and the Cooking Channel. In 2017, Sinclair Broadcasting Group offered ~\$43 in cash and stock to acquire TRCO, but Department of Justice scrutiny resulted in the acquisition being abandoned. Strong political spending associated with the contentious 2018 U.S. mid-term elections should drive substation free cash flow generation. We estimate a PMV of \$59, and expect the divestiture of TV Food Network or the sale of the entire company could act as a catalyst.

Conclusion

As always, we conduct bottom-up research on companies and industries through our proprietary methodology which we call “GAPIC”: Gather, Array, Project, Interpret, and Communicate. As active stock pickers, this is the kind of environment for us to prove our mettle. We continue to seek high-quality companies trading at a discount to Private Market Value – the price an informed industrialist would pay to own an entire business – and look for catalysts to surface value, such as industry consolidation, financial engineering, new management, regulatory changes, or a change in cash flow allocation.

October 31, 2018

Top Ten Holdings (Percent of Net Assets) September 30, 2018

Kikkoman Corp.	2.0%	Ferro Corp.	1.3%
Kaman Corp.	1.5%	Curtiss-Wright Corp.	1.3%
O’Reilly Automotive Inc.	1.4%	PNM Resources Inc.	1.3%
Tyler Technologies Inc.	1.4%	Live Nation Entertainment Inc.	1.3%
Navistar International Corp.	1.3%	Rollins Inc.	1.3%

Note: The views expressed in this Shareholder Commentary reflect those of the Portfolio Manager only through the end of the period stated in this Shareholder Commentary. The Portfolio Manager's views are subject to change at any time based on market and other conditions. The information in this Portfolio Manager's Shareholder Commentary represents the opinions of the individual Portfolio Manager 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 Manager 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.

Minimum Initial Investment – \$1,000

The Fund's minimum initial investment for regular accounts is \$1,000. There are no subsequent investment minimums. No initial minimum is required for those establishing an Automatic Investment Plan. Additionally, the Fund and other Gabelli/GAMCO Funds are available through the no-transaction fee programs at many major brokerage firms. The Fund imposes a 2% redemption fee on shares sold or exchanged within seven days after the date of purchase. See the prospectuses for more details.

www.gabelli.com

Please visit us on the Internet. Our homepage at www.gabelli.com contains information about GAMCO Investors, Inc., the Gabelli/GAMCO 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 info@gabelli.com.

You may sign up for our e-mail alerts at www.gabelli.com and receive early notice of quarterly report availability, news events, media sightings, and mutual fund prices and performance.

The Fund's daily NAVs are available in the financial press and each evening after 7:00 PM (Eastern Time) by calling 800-GABELLI (800-422-3554). Please call us during the business day, between 8:00 AM – 7:00 PM (Eastern Time), for further information.

e-delivery

We are pleased to offer electronic delivery of Gabelli fund documents. Direct shareholders of our mutual funds can elect to receive their Annual and Semiannual Reports, Manager Commentaries, and Prospectuses via e-delivery. For more information or to sign up for e-delivery, please visit our website at www.gabelli.com.

Multi-Class Shares

The Gabelli Small Cap Growth Fund began offering additional classes of Fund shares on December 31, 2003. Class AAA Shares are no-load shares offered directly through selected broker/dealers. Class A and Class C Shares are targeted to the needs of investors who seek advice through financial consultants. Class I Shares are available directly through the Fund's distributor or brokers that have entered into selling agreements specifically with respect to Class I Shares. The Board of Directors determined that expanding the types of Fund shares available through various distribution options will enhance the ability of the Fund to attract additional investors.

Portfolio Manager Biography

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.

Gabelli Equity Series Funds, Inc.
THE GABELLI SMALL CAP GROWTH FUND

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Net Asset Value per share available daily
by calling 800-GABELLI after 7:00 P.M.

BOARD OF DIRECTORS

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GAMCO Investors, Inc.
Executive Chairman,
Associated Capital Group Inc.

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

Vincent D. Enright
Former Senior Vice President
and Chief Financial Officer,
KeySpan Corp.

John D. Gabelli
Senior Vice President,
G.research, Inc.

Robert J. Morrissey
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Morrissey, Hawkins & Lynch

Kuni Nakamura
President,
Advanced Polymer, Inc.

Anthony R. Pustorino
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LEGAL COUNSEL

Skadden, Arps, Slate, Meagher &
Flom LLP



GABELLI
FUNDS

THE GABELLI SMALL CAP GROWTH FUND

Shareholder Commentary
September 30, 2018

This report is submitted for the general information of the shareholders of The Gabelli Small Cap Growth Fund. It is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.

The Gabelli Small Cap Growth Fund

Annual Report — September 30, 2018

To Our Shareholders,

For the fiscal year ended September 30, 2018, the net asset value (NAV) per Class AAA Share of The Gabelli Small Cap Growth Fund increased 7.2% compared with an increase of 15.2% for the Russell 2000 Index. Other classes of shares are available. See page 3 for performance information for all classes of shares.

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

Performance Discussion

The Fund invests primarily in small cap companies, that through bottom-up fundamental research, the portfolio manager believes are attractively priced relative to their earnings growth potential or Private Market Values. The Fund characterizes small capitalization companies as those companies with a market capitalization of \$3 billion or less at the time of the Fund's initial investment.

Stocks continued their strong performance to begin the Fund's fiscal year, though volatility finally returned with a sharp market decline in February and continued choppiness in March, leading to major averages posting their first quarterly declines since 2015. Economic fundamentals continued to be largely positive - synchronous global growth, low unemployment, corporate profits boosted by tax reform, and lower personal taxes for many Americans – but a new set of worries came to the forefront for investors already uneasy about stretched valuations: trade wars, regulatory risks in the technology sector, and the U.S. Federal Reserve's gradual liquidity reduction and rising policy rate.

During the second calendar quarter of 2018, markets recouped first quarter losses to finish the first half of the year modestly higher. Economic indicators, including the unemployment rate, remained favorable, while the Federal Reserve continued its interest rate normalization program, with two interest rate hikes in the first half of 2018.

The last quarter of the Fund's fiscal year saw financial and economic data continue to support the rally, with U.S. GDP growing by 4.2%, the unemployment rate falling to a 49 year low of 3.7%, and corporate profits growing over 16%. These positives were enough to overlook continued trade tensions, Federal Reserve driven rising interest rates, and uncertainty around the midterm congressional elections; as the S&P 500 set record highs in September, though small cap stocks, as measured by the Russell 2000 Index, underperformed the broader market.

Among the better performing stocks was Kikkoman Corp. (2.0% of net assets as of September 30, 2018), based outside of Tokyo, Japan, which is the world's largest producer of soy sauce and soy based condiments. Kikkoman has benefited from the growing popularization of Japanese cuisine, especially in the developed markets of North America, Europe, and Asia. O'Reilly Automotive Inc. (1.4%), one of the largest specialty retailers of automotive aftermarket parts, reported comparable store sales growth of 4.6% for the second calendar quarter, showing the company's continued resilience to e-commerce competition. Another top contributor, Chemed Corp. (0.8%), provides hospice and palliative care services, and residential and commercial plumbing and drain cleaning services. Chemed saw positive effects of a burgeoning home healthcare industry.

Our weaker performing stocks during the fiscal year included Diebold Nixdorf Inc. (0.1%), a global leader in the manufacturing and servicing of ATM machines, which lowered EBITDA guidance and was forced to raise expensive capital to avoid tripping debt covenants amid negative free cash flow generation. RPC Inc. (0.8%) provides a range of oilfield services and equipment for the oil and gas industry and suffered from a decreasing rig count in the U.S. and larger than expected seasonal slowdowns. Dana Inc. (0.6%) is a supplier of axles, drivelines, and thermal products for the automotive and trucking industries which have seen weaker passenger vehicle volumes due to the cyclical nature of heavy duty truck sales.

We appreciate your confidence and trust.

Comparative Results

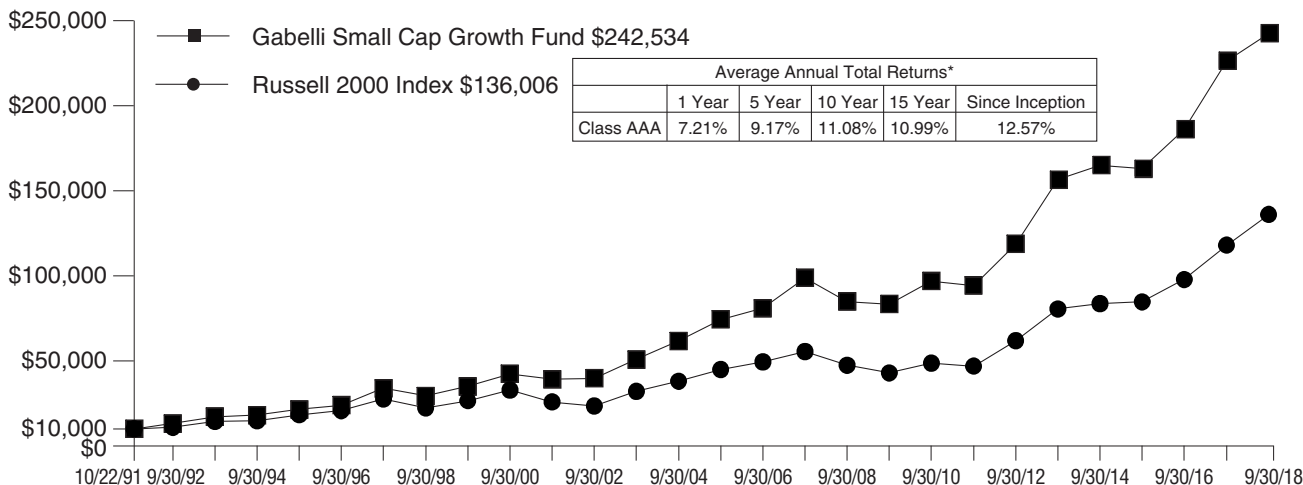
Average Annual Returns through September 30, 2018 (a)(b) (Unaudited)

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- (b) The Fund's fiscal year end is September 30.
- (c) Performance results include the effect of the maximum 5.75% sales charge at the beginning of the period.
- (d) Assuming payment of the 1% maximum contingent deferred sales charge imposed on redemptions made within one year of purchase.

COMPARISON OF CHANGE IN VALUE OF A \$10,000 INVESTMENT IN THE GABELLI SMALL CAP GROWTH FUND CLASS AAA AND THE RUSSELL 2000 INDEX (Unaudited)



* Past performance is not predictive of future results. The performance tables and graph do not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares.

The Gabelli Small Cap Growth Fund Disclosure of Fund Expenses (Unaudited)

For the Six Month Period from April 1, 2018 through September 30, 2018 **Expense Table**

We believe it is important for you to understand the impact of fees and expenses regarding your investment. All mutual funds have operating expenses. As a shareholder of a fund, you incur ongoing costs, which include costs for portfolio management, administrative services, and shareholder reports (like this one), among others. Operating expenses, which are deducted from a fund's gross income, directly reduce the investment return of a fund. When a fund's expenses are expressed as a percentage of its average net assets, this figure is known as the expense ratio. The following examples are intended to help you understand the ongoing costs (in dollars) of investing in your Fund and to compare these costs with those of other mutual funds. The examples are based on an investment of \$1,000 made at the beginning of the period shown and held for the entire period.

The Expense Table below illustrates your Fund's costs in two ways:

Actual Fund Return: This section provides information about actual account values and actual expenses. You may use this section to help you to estimate the actual expenses that you paid over the period after any fee waivers and expense reimbursements. The "Ending Account Value" shown is derived from the Fund's **actual** return during the past six months, and the "Expenses Paid During Period" shows the dollar amount that would have been paid by an investor who started with \$1,000 in the Fund. You may use this information, together with the amount you invested, to estimate the expenses that you paid over the period.

To do so, simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number given for your Fund under the heading "Expenses Paid During Period" to estimate the expenses you paid during this period.

Hypothetical 5% Return: This section provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense

ratio. It assumes a hypothetical annualized return of 5% before expenses during the period shown. In this case – because the hypothetical return used is **not** the Fund's actual return – the results do not apply to your investment and you cannot use the hypothetical account value and expense to estimate the actual ending account balance or expenses you paid for the period. This example is useful in making comparisons of the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs such as sales charges (loads), redemption fees, or exchange fees, if any, which are described in the Prospectus. If these costs were applied to your account, your costs would be higher. Therefore, the 5% hypothetical return is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. The "Annualized Expense Ratio" represents the actual expenses for the last six months and may be different from the expense ratio in the Financial Highlights which is for the year ended September 30, 2018.

	Beginning Account Value 04/01/18	Ending Account Value 09/30/18	Annualized Expense Ratio	Expenses Paid During Period*
<i>The Gabelli Small Cap Growth Fund</i>				
Actual Fund Return				
Class AAA	\$1,000.00	\$1,058.00	1.37%	\$ 7.07
Class A	\$1,000.00	\$1,058.10	1.37%	\$ 7.07
Class C	\$1,000.00	\$1,054.20	2.12%	\$10.92
Class I	\$1,000.00	\$1,059.90	1.12%	\$ 5.78
Hypothetical 5% Return				
Class AAA	\$1,000.00	\$1,018.20	1.37%	\$ 6.93
Class A	\$1,000.00	\$1,018.20	1.37%	\$ 6.93
Class C	\$1,000.00	\$1,014.44	2.12%	\$10.71
Class I	\$1,000.00	\$1,019.45	1.12%	\$ 5.67

* Expenses are equal to the Fund's annualized expense ratio for the last six months multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half year (183 days), then divided by 365.

Summary of Portfolio Holdings (Unaudited)

The following table presents portfolio holdings as a percent of net assets as of September 30, 2018:

The Gabelli Small Cap Growth Fund

Food and Beverage	10.0%	Automotive	1.4%
Equipment and Supplies	9.6%	Cable	1.3%
Diversified Industrial	6.9%	Transportation	1.2%
Health Care	6.2%	Aerospace	1.1%
Energy and Utilities	6.2%	Metals and Mining	1.0%
Automotive: Parts and Accessories	5.1%	Environmental Services	0.8%
Retail	5.0%	Manufactured Housing and Recreational Vehicles	0.8%
Business Services	4.6%	Publishing	0.8%
Aviation: Parts and Services	4.4%	U.S. Government Obligations	0.5%
Financial Services	4.0%	Home Furnishings	0.3%
Hotels and Gaming	3.8%	Wireless Communications	0.2%
Specialty Chemicals	3.4%	Communications Equipment	0.2%
Building and Construction	3.4%	Closed-End Funds	0.1%
Entertainment	3.0%	Educational Services	0.0%*
Computer Software and Services	2.7%	Paper and Forest Products	0.0%*
Consumer Services	2.0%	Agriculture	0.0%*
Electronics	1.8%	Other Assets and Liabilities (Net)	0.2%
Machinery	1.8%		
Consumer Products	1.7%		
Telecommunications	1.6%		
Broadcasting	1.5%		
Real Estate	1.4%		
			<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 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 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.

The Gabelli Small Cap Growth Fund

Schedule of Investments (Continued) — September 30, 2018

Shares		Cost	Market Value	Shares		Cost	Market Value
COMMON STOCKS (Continued)				Communications Equipment — 0.2%			
Building and Construction (Continued)				Communications Systems			
136,080	MDC Holdings Inc.	\$ 2,993,987	\$ 4,025,246	263,016	Inc.	\$ 1,843,164	\$ 736,445
150,000	Meritage Homes Corp.†	3,332,016	5,985,000	52,000	Fortinet Inc.†	1,067,508	4,798,040
2,700	NVR Inc.†	1,908,453	6,671,160			<u>2,910,672</u>	<u>5,534,485</u>
335,000	PulteGroup Inc.	2,364,900	8,297,950				
60,000	Titan Machinery Inc.†	1,004,304	929,100				
370,000	Toll Brothers Inc.	<u>7,232,546</u>	<u>12,221,100</u>				
		<u>68,482,476</u>	<u>126,308,123</u>				
Business Services — 4.6%				Computer Software and Services — 2.7%			
36,000	ACCO Brands Corp.	266,315	406,800	50,000	3D Systems Corp.†	629,043	945,000
652,000	Clear Channel Outdoor Holdings Inc., Cl. A	1,955,741	3,879,400	146,000	Activision Blizzard Inc.	2,222,250	12,145,740
606,900	Diebold Nixdorf Inc.	7,389,057	2,731,050	95,000	Avid Technology Inc.†	692,425	563,350
559,000	Edgewater Technology Inc.†	2,762,887	2,806,180	176,000	comScore Inc.†	4,230,260	3,208,480
95,000	GP Strategies Corp.†	791,180	1,600,750	40,000	InterXion Holding NV†	630,985	2,692,000
25,000	GSE Systems Inc.†	87,955	90,000	20,000	Mercury Systems Inc.†	303,410	1,106,400
1,494,237	Internap Corp.†(b)	12,144,225	18,872,213	20,000	MKS Instruments Inc.	364,304	1,603,000
891,600	Live Nation Entertainment Inc.†	8,804,825	48,565,452	235,000	NCR Corp.†	2,166,385	6,676,350
180,000	Loomis AB, Cl. B.	1,860,625	5,796,521	3,996	NetScout Systems Inc.†	14,188	100,899
208,000	Macquarie Infrastructure Corp.	1,129,353	9,595,040	12,000	Rocket Internet SE†	305,549	375,623
94,000	McGrath RentCorp.	2,555,092	5,120,180	100,000	Rockwell Automation Inc.	2,731,906	18,752,000
85,000	Scientific Games Corp.†	781,279	2,159,000	10,000	SecureWorks Corp., Cl. A†	127,406	146,500
20,000	Sealed Air Corp.	587,044	803,000	138,000	Stratasys Ltd.†	3,556,044	3,189,180
16,000	Sequential Brands Group Inc.†	102,076	26,720	208,000	Tyler Technologies Inc.†	681,507	50,972,480
115,000	Sohgo Security Services Co. Ltd.	1,389,979	5,055,668	3,000	Zedge Inc., Cl. B†	<u>9,933</u>	<u>5,970</u>
17,000	Stamps.com Inc.†	147,469	3,845,400			<u>18,665,595</u>	<u>102,482,972</u>
345,000	Team Inc.†	5,376,189	7,762,500				
33,000	The Brink's Co.	613,158	2,301,750				
1,900,000	The Interpublic Group of Companies Inc.	13,505,056	43,453,000				
33,050	TransAct Technologies Inc.	168,459	475,920				
113,500	Trans-Lux Corp.†(b)	88,711	41,995				
47,000	United Rentals Inc.†	587,456	7,689,200				
14,444	Vectrus Inc.†	<u>306,666</u>	<u>450,508</u>				
		<u>63,400,797</u>	<u>173,528,247</u>				
Cable — 1.3%				Consumer Products — 1.7%			
167,000	AMC Networks Inc., Cl. A†	2,124,059	11,078,780	270,000	1-800-FLOWERS.COM Inc., Cl. A†	1,034,248	3,186,000
2,000	Cable One Inc.	546,453	1,767,220	74,000	Brunswick Corp.	1,881,888	4,959,480
50,000	DISH Network Corp., Cl. A†	968,420	1,788,000	33,500	Chofu Seisakusho Co. Ltd.	484,644	770,718
36,000	EchoStar Corp., Cl. A†	708,109	1,669,320	87,000	Church & Dwight Co. Inc.	201,105	5,165,190
297,990	Liberty Global plc, Cl. A†	7,607,076	8,620,851	20,000	Energizer Holdings Inc.	857,799	1,173,000
734,391	Liberty Global plc, Cl. C†	18,704,379	20,680,451	76,000	Ginko International Co. Ltd.	862,018	499,067
312,100	WideOpenWest Inc.†	<u>4,534,920</u>	<u>3,498,641</u>	2,000	Harley-Davidson Inc.	4,712	90,600
		<u>35,193,416</u>	<u>49,103,263</u>	147,300	Hunter Douglas NV	6,420,817	11,082,260
				2,800	Kobayashi Pharmaceutical Co. Ltd.	115,862	206,020
				13,000	LCI Industries	218,598	1,076,400
				270,000	Marine Products Corp.	170,928	6,180,300
				10,000	National Presto Industries Inc.	300,897	1,296,500
				32,000	Newell Brands Inc.	639,270	649,600
				425,000	Sally Beauty Holdings Inc.†	2,879,800	7,815,750
				220,000	Samick Musical Instruments Co. Ltd.	299,584	404,598
				10,000	Scandinavian Tobacco Group A/S	156,448	153,358
				13,000	Shimano Inc.	1,500,919	2,094,966
				2,000	Spectrum Brands Holdings Inc.	178,449	149,440
				9,500	Steven Madden Ltd.	35,261	502,550
				150,000	Swedish Match AB	2,992,162	7,679,411
				28,000	The Scotts Miracle-Gro Co.	1,024,590	2,204,440
				22,000	WD-40 Co.	606,916	3,786,200

See accompanying notes to financial statements.

The Gabelli Small Cap Growth Fund

Schedule of Investments (Continued) — September 30, 2018

Shares		Cost	Market Value	Shares		Cost	Market Value
	COMMON STOCKS (Continued)						
	Consumer Products (Continued)						
100,000	Wolverine World Wide Inc.	\$ 486,710	\$ 3,905,000	98,000	Raven Industries Inc.	\$ 2,426,663	\$ 4,483,500
		23,353,625	65,030,848	26,000	Roper Technologies Inc.	491,404	7,701,460
				96,000	Sonoco Products Co.	2,940,089	5,328,000
	Consumer Services — 2.0%			57,000	Standex International Corp. ...	1,528,709	5,942,250
53,000	Bowlin Travel Centers Inc.† ...	53,947	125,875	470,042	Steel Connect Inc.†	1,630,851	1,001,189
2,750	Collectors Universe Inc.	0	40,700	285,046	Steel Partners Holdings LP†...	4,817,329	4,838,656
30,000	GCI Liberty Inc., Cl. A†	328,297	1,530,000	17,000	T Hasegawa Co. Ltd.	324,463	351,910
18,000	IAC/InterActiveCorp.†	199,991	3,900,960	8,000	Terex Corp.	190,480	319,280
264,000	KAR Auction Services Inc.	3,557,582	15,758,160	390,000	Textron Inc.	2,523,213	27,873,300
20,000	Liberty Expedia Holdings Inc., Cl. A†	257,948	940,800	537,700	Tredegar Corp.	9,183,922	11,641,205
25,000	Liberty TripAdvisor Holdings Inc., Cl. A†	258,728	371,250	260,000	Trinity Industries Inc.	4,216,388	9,526,400
140,000	Qurate Retail Inc.†	2,130,969	3,109,400	40,000	Ultra Electronics Holdings plc .	829,125	827,924
800,000	Rollins Inc.	2,007,877	48,552,000			118,777,985	259,027,062
		8,795,339	74,329,145		Educational Services — 0.0%		
	Diversified Industrial — 6.9%			59,000	Career Education Corp.†	416,169	880,870
15,700	Acuity Brands Inc.	161,657	2,468,040	85,000	Universal Technical Institute Inc.†	909,679	226,100
30,000	Aegion Corp.†	561,304	761,400			1,325,848	1,106,970
95,000	Albany International Corp., Cl. A	2,064,720	7,552,500		Electronics — 1.8%		
15,000	Altra Industrial Motion Corp. ...	673,816	619,500	192,000	Badger Meter Inc.	2,720,130	10,166,400
152,400	Ampco-Pittsburgh Corp.†	1,442,695	899,160	281,652	Bel Fuse Inc., Cl. A(b)	6,359,535	5,951,307
6,000	Anixter International Inc.†	57,120	421,800	545,000	CTS Corp.	5,245,019	18,693,500
73,037	Burnham Holdings Inc., Cl. A ..	1,322,546	1,095,555	500,000	Cypress Semiconductor Corp..	3,909,294	7,245,000
400,000	Crane Co.	9,478,082	39,340,000	40,000	Daktronics Inc.	362,126	313,600
140,000	EnPro Industries Inc.	8,043,562	10,210,200	50,000	Dolby Laboratories Inc., Cl. A .	2,027,621	3,498,500
115,000	Greif Inc., Cl. A	2,267,516	6,170,900	1,167	Fortive Corp.	4,776	98,261
117,970	Greif Inc., Cl. B	5,709,954	6,800,971	240,000	Gentex Corp.	2,977,845	5,150,400
1,589,485	Griffon Corp.	20,127,793	25,670,183	40,000	IMAX Corp.†	583,383	1,032,000
30,000	Haynes International Inc.	1,354,268	1,065,000	70,000	KEMET Corp.†	270,334	1,298,500
190,000	Jardine Strategic Holdings Ltd.	3,487,637	6,897,000	350,000	Park Electrochemical Corp.	5,621,932	6,821,500
8,000	JSP Corp.	259,990	204,330	60,000	Renesas Electronics Corp.† ...	389,832	374,934
840,000	Katy Industries Inc.†(b)	2,604	2,646	32,000	Sparton Corp.†	515,887	461,760
180,000	Kimball International Inc., Cl. B	1,811,995	3,015,000	185,000	Stoneridge Inc.†	1,626,982	5,498,200
50,000	L.B. Foster Co., Cl. A†	642,804	1,027,500			32,614,696	66,603,862
80,000	Lawson Products Inc.†	1,171,587	2,712,000		Energy and Utilities — 6.2%		
94,000	Lincoln Electric Holdings Inc. .	2,524,683	8,783,360	23,500	Andeavor	230,748	3,607,250
59,000	Lindsay Corp.	1,381,410	5,914,160	57,000	Avangrid Inc.	2,237,235	2,732,010
27,000	Lydall Inc.†	286,221	1,163,700	120,000	Avista Corp.	3,985,404	6,067,200
40,221	Matthews International Corp., Cl. A	1,224,438	2,017,083	252,000	Black Hills Corp.	6,273,099	14,638,680
1,000,000	Myers Industries Inc.	14,177,334	23,250,000	700,000	Black Ridge Oil and Gas Inc.† .	7,560	15,428
19,000	nVent Electric plc	231,864	516,040	278,000	Callon Petroleum Co.†	2,134,907	3,333,220
126,000	Oil-Dri Corp. of America.	1,382,128	4,858,560	46,000	Chesapeake Utilities Corp.	838,953	3,859,400
120,000	Olin Corp.	2,318,113	3,081,600	5,000	Clean Energy Fuels Corp.†	39,414	13,000
309,000	Park-Ohio Holdings Corp.	3,012,238	11,850,150	38,000	CMS Energy Corp.	197,906	1,862,000
19,000	Pentair plc	495,270	823,650	21,000	Connecticut Water Service Inc.	421,740	1,456,770
				11,000	Consolidated Water Co. Ltd.	141,093	152,350
				155,000	Covanta Holding Corp.	287,613	2,518,750
				94,000	Diamondback Energy Inc.	4,888,629	12,707,860
				25,000	Dril-Quip Inc.†	1,190,022	1,306,250

See accompanying notes to financial statements.

The Gabelli Small Cap Growth Fund

Schedule of Investments (Continued) — September 30, 2018

Shares	Cost	Market Value	Shares	Cost	Market Value
COMMON STOCKS (Continued)					
Energy and Utilities (Continued)					
406,000	El Paso Electric Co. \$	5,906,970	\$	23,223,200	
80,000	Energy Recovery Inc.†	352,081		716,000	
265,000	Evergy Inc.	5,350,808		14,553,800	
110,000	Hawaiian Electric Industries Inc.	2,784,810		3,914,900	
41,111	KLX Energy Services Holdings Inc.†	1,203,652		1,315,963	
7,000	Landis+Gyr Group AG	480,009		467,546	
40,000	Middlesex Water Co.	682,891		1,936,800	
95,000	National Fuel Gas Co.	5,556,830		5,325,700	
15,000	Northwest Natural Gas Co.† ..	715,241		1,003,500	
76,000	NorthWestern Corp.	2,309,229		4,458,160	
80,000	Oceaneering International Inc.†	1,366,984		2,208,000	
288,000	Otter Tail Corp.	6,745,157		13,795,200	
14,000	Patterson-UTI Energy Inc.	275,531		239,540	
1,245,000	PNM Resources Inc.	14,561,503		49,115,250	
72,000	Rowan Companies plc, Cl. A† ..	2,499,120		1,355,760	
1,970,000	RPC Inc.	1,179,814		30,495,600	
20,000	Siemens Gamesa Renewable Energy SA†	117,491		253,109	
98,000	SJW Group	1,838,479		5,992,700	
175,000	Southwest Gas Holdings Inc. ...	4,276,104		13,830,250	
15,000	Spire Inc.	594,172		1,103,250	
41,000	The York Water Co.	573,821		1,246,400	
14,000	Vestas Wind Systems A/S	132,040		946,862	
		<u>82,377,060</u>		<u>231,767,658</u>	
Entertainment — 3.0%					
19,000	AMC Entertainment Holdings Inc., Cl. A	657,400		389,500	
50,000	Discovery Inc., Cl. A†	863,334		1,600,000	
100,000	Discovery Inc., Cl. C†	926,160		2,958,000	
432,612	Dover Motorsports Inc.	1,597,821		930,116	
140,000	Entertainment One Ltd.	655,486		753,995	
25,000	Eros International plc†	275,489		301,250	
60,000	Inspired Entertainment Inc.† ..	383,033		366,000	
65,000	International Speedway Corp., Cl. A	2,040,899		2,847,000	
6,814	International Speedway Corp., Cl. B	167,786		301,519	
75,000	Liberty Media Corp.- Liberty Braves, Cl. A†	1,630,815		2,046,000	
255,000	Liberty Media Corp.- Liberty Braves, Cl. C†	3,948,720		6,948,750	
14,000	Lions Gate Entertainment Corp., Cl. A	286,293		341,460	
36,000	Lions Gate Entertainment Corp., Cl. B	849,266		838,800	
30,000	Manchester United plc, Cl. A ..	481,746		675,000	
235,000	Pinnacle Entertainment Inc.† ..	2,627,300		7,917,150	
106,000	Take-Two Interactive Software Inc.†	\$	897,654	\$	14,626,940
124,000	The Madison Square Garden Co, Cl. A†	6,688,655		39,099,680	
260,000	Twenty-First Century Fox Inc., Cl. A	673,473		12,045,800	
154,000	Universal Entertainment Corp.†	2,014,869		4,696,444	
150,000	World Wrestling Entertainment Inc., Cl. A	1,647,848		14,509,500	
		<u>29,314,047</u>		<u>114,192,904</u>	
Environmental Services — 0.8%					
65,000	Evoqua Water Technologies Corp.†	1,256,465		1,155,700	
400,000	Republic Services Inc.	5,798,456		29,064,000	
		<u>7,054,921</u>		<u>30,219,700</u>	
Equipment and Supplies — 9.6%					
85,000	A.O. Smith Corp.	314,204		4,536,450	
510,000	AMETEK Inc.	883,047		40,351,200	
50,000	AZZ Inc.	1,714,863		2,525,000	
10,000	Belden Inc.	119,356		714,100	
59,000	Chart Industries Inc.†	1,984,077		4,621,470	
540,000	CIRCOR International Inc.	15,724,617		25,650,000	
346,437	Core Molding Technologies Inc.	962,615		2,310,735	
158,000	Crown Holdings Inc.†	638,464		7,584,000	
2,335	Danaher Corp.	15,131		253,721	
175,000	Donaldson Co. Inc.	1,507,907		10,195,500	
208,000	Entegris Inc.	1,139,019		6,021,600	
820,000	Federal Signal Corp.	5,754,972		21,959,600	
300,000	Flowserve Corp.	2,954,946		16,407,000	
320,000	Franklin Electric Co. Inc.	1,808,799		15,120,000	
690,000	Graco Inc.	7,635,882		31,974,600	
93,000	IDEX Corp.	705,777		14,011,380	
390,000	Interpump Group SpA	2,257,591		12,769,218	
65,000	Itron Inc.†	2,636,682		4,173,000	
31,000	Littelfuse Inc.	548,770		6,134,590	
55,000	Maezawa Kyuso Industries Co. Ltd.	359,609		964,267	
80,000	Minerals Technologies Inc.	3,960,234		5,408,000	
6,000	MSA Safety Inc.	179,592		638,640	
755,054	Mueller Industries Inc.	20,331,848		21,881,465	
825,000	Mueller Water Products Inc., Cl. A	7,338,553		9,495,750	
10,000	Plantronics Inc.	262,977		603,000	
4,000	Teleflex Inc.	60,933		1,064,360	
280,000	Tennant Co.	5,791,145		21,266,000	
878,000	The Gorman-Rupp Co.	14,917,810		32,047,000	
110,000	The Greenbrier Companies Inc.	1,383,138		6,611,000	
277,096	The L.S. Starrett Co., Cl. A	3,217,579		1,662,576	

See accompanying notes to financial statements.

The Gabelli Small Cap Growth Fund

Schedule of Investments (Continued) — September 30, 2018

Shares		Cost	Market Value	Shares		Cost	Market Value
	COMMON STOCKS (Continued)						
	Equipment and Supplies (Continued)						
35,000	The Manitowoc Co. Inc.†	\$ 419,374	\$ 839,650	20,000	State Auto Financial Corp.	\$ 523,760	\$ 610,800
74,000	The Middleby Corp.†	1,077,388	9,571,900	21,056	State Bank Financial Corp.	611,093	635,470
40,000	The Timken Co.	1,374,376	1,994,000	431,887	Sterling Bancorp.	4,773,930	9,501,514
48,000	The Toro Co.	845,248	2,878,560	12,500	T. Rowe Price Group Inc.	478,908	1,364,750
7,500	Valmont Industries Inc.	172,236	1,038,750	24,000	TFS Financial Corp.	353,694	360,240
33,000	Vicor Corp.†	165,582	1,518,000	145,000	The Charles Schwab Corp.	2,314,814	7,126,750
7,875	Watsco Inc., Cl. B.	23,627	1,393,875	15,000	Thomasville Bancshares Inc.	570,703	615,000
172,000	Watts Water Technologies Inc., Cl. A	4,484,136	14,276,000	40,782	Value Line Inc.	570,979	1,015,472
		<u>115,672,104</u>	<u>362,465,957</u>	418,000	Waddell & Reed Financial Inc., Cl. A	7,101,388	8,853,240
	Financial Services — 3.9%			10,000	Waterloo Investment Holdings Ltd.†(a)	1,373	2,500
10,000	Allegheny Corp.	1,595,952	6,525,300	510,000	Wright Investors' Service Holdings Inc.†	1,021,719	204,000
33,674	Argo Group International Holdings Ltd.	724,267	2,123,146			<u>85,049,724</u>	<u>146,526,389</u>
10,370	BKF Capital Group Inc.†	187,002	121,847		Food and Beverage — 10.0%		
10,000	Canadian Imperial Bank of Commerce	318,638	937,700	575,000	Arca Continental SAB de CV	1,132,490	3,711,045
12,500	Capitol Federal Financial Inc.	125,000	159,250	112,500	Brown-Forman Corp., Cl. A	867,033	5,715,000
22,000	Crazy Woman Creek Bancorp Inc.	343,564	391,600	28,125	Brown-Forman Corp., Cl. B	216,758	1,421,719
1,000	Eagle Bancorp Inc.†	52,720	50,600	21,000	Bull-Dog Sauce Co. Ltd.	120,234	404,770
636,000	Energy Transfer Equity LP	0	11,085,480	5,000,000	China Tontine Wines Group Ltd.†	960,438	80,477
125	Farmers & Merchants Bank of Long Beach	819,428	1,075,000	222,000	Chr. Hansen Holding A/S	9,326,991	22,535,615
90,000	FCB Financial Holdings Inc., Cl. A†	2,831,148	4,266,000	620,000	Cott Corp.	4,874,545	10,013,000
35,000	Federated Investors Inc., Cl. B	819,532	844,200	350,000	Crimson Wine Group Ltd.†	3,112,381	3,132,500
10,300	Fidelity Southern Corp.	71,898	255,234	3,800,000	Davide Campari-Milano SpA	12,727,117	32,361,922
500,093	Flushing Financial Corp.	8,835,466	12,202,269	35,000	Dean Foods Co.	388,743	248,500
64,800	FNB Corp.	648,150	824,256	225,000	Denny's Corp.†	718,072	3,312,000
1,020,000	GAM Holding AG	12,437,402	7,244,141	3,500,000	Dynasty Fine Wines Group Ltd.†(a)	1,246,520	0
130,000	Hilltop Holdings Inc.	2,469,855	2,622,100	110,000	Farmer Brothers Co.†	1,983,969	2,904,000
310,000	Hope Bancorp Inc.	3,512,655	5,012,700	510,000	Flowers Foods Inc.	1,347,594	9,516,600
455,800	Huntington Bancshares Inc.	4,363,341	6,800,536	120,000	Ingredion Inc.	2,449,457	12,595,200
490,000	Janus Henderson Group plc	9,610,904	13,210,400	180,000	ITO EN Ltd.	3,741,497	7,984,510
90,000	KeyCorp.	1,298,964	1,790,100	134,000	Iwatsuka Confectionery Co. Ltd.	6,483,415	5,767,118
750,072	KKR & Co. Inc., Cl. A	3,285,150	20,454,463	23,500	J & J Snack Foods Corp.	531,096	3,545,915
150,000	Legg Mason Inc.	3,098,475	4,684,500	146,000	Kameda Seika Co. Ltd.	5,952,869	6,874,670
15,000	M&T Bank Corp.	1,294,650	2,468,100	300,000	Keurig Dr Pepper Inc.	0	6,951,000
15,000	Manning & Napier Inc.	85,071	44,250	1,245,000	Kikkoman Corp.	12,887,768	74,073,227
100,000	Medallion Financial Corp.†	521,993	665,000	92,327	Lifeway Foods Inc.†	783,536	245,590
251,000	Och-Ziff Capital Management Group LLC, Cl. A	854,280	371,480	1,200,000	Maple Leaf Foods Inc.	21,546,913	28,856,114
165,000	Oritani Financial Corp.	1,685,540	2,565,750	6,000	MEIJI Holdings Co. Ltd.	117,526	402,922
120,000	PJT Partners Inc., Cl. A	3,728,384	6,282,000	50,000	MGP Ingredients Inc.	160,964	3,949,000
56,000	Pzena Investment Management Inc., Cl. A	507,537	534,240	90,000	Morinaga Milk Industry Co. Ltd.	1,808,850	2,443,672
3,000	Rafael Holdings Inc., Cl. B†	9,542	25,200	27,000	National Beverage Corp.†	1,162,091	3,148,740
13,500	Sandy Spring Bancorp Inc.	528,779	530,685	85,000	Nissin Foods Holdings Co. Ltd.	2,907,986	5,842,721
843	South State Corp.	62,076	69,126	25,000	Nutrisystem Inc.	305,632	926,250
				8,548,096	Parmalat SpA	24,295,306	28,186,317

See accompanying notes to financial statements.

The Gabelli Small Cap Growth Fund

Schedule of Investments (Continued) — September 30, 2018

Shares		Cost	Market Value	Shares		Cost	Market Value
	COMMON STOCKS (Continued)						
	Food and Beverage (Continued)						
270,000	Post Holdings Inc.†	\$ 9,491,927	\$ 26,470,800	150,000	NuVasive Inc.†	\$ 4,579,482	\$ 10,647,000
310,000	Rock Field Co. Ltd.	2,420,094	5,132,107	25,500	Nuvectra Corp.†	174,575	560,490
24,500	The Boston Beer Co. Inc., Cl. A†	521,586	7,043,750	20,000	Ophthotech Corp.†	112,542	47,200
392,000	The Hain Celestial Group Inc.†	3,415,282	10,631,040	176,000	OPKO Health Inc.†	778,178	608,960
78,000	The J.M. Smucker Co.	2,824,921	8,003,580	163,000	Orthofix Medical Inc.†	4,072,515	9,423,030
800,000	Tingyi (Cayman Islands) Holding Corp.	1,779,887	1,469,531	48,900	Owens & Minor Inc.	670,419	807,828
351,230	Tootsie Roll Industries Inc.	6,320,480	10,273,478	5,000	Pain Therapeutics Inc.†	18,174	5,050
81,000	United Natural Foods Inc.†	2,249,986	2,425,950	48,000	Patterson Cos. Inc.	1,073,640	1,173,600
22,000	Vina Concha Y Toro SA, ADR.	820,659	874,500	574,000	Quidel Corp.†	6,188,947	37,407,580
1,400,000	Vitasoy International Holdings Ltd.	1,028,189	4,774,953	200,000	RTI Surgical Inc.†	965,135	900,000
20,000	Willamette Valley Vineyards Inc.†	73,225	158,200	25,000	Seikagaku Corp.	292,810	380,435
150,000	Yakult Honsha Co. Ltd.	<u>3,747,741</u>	<u>12,290,970</u>	53,500	STERIS plc	3,987,890	6,120,400
		<u>158,851,768</u>	<u>376,698,973</u>	2,100	Straumann Holding AG	188,803	1,579,173
				3,000	Stryker Corp.	142,188	533,400
				43,000	SurModics Inc.†	892,751	3,209,950
				32,000	Teladoc Health Inc.†	1,074,935	2,763,200
				74,000	Tetraphase Pharmaceuticals Inc.†	323,473	204,240
				24,000	The Cooper Companies Inc.	920,532	6,651,600
				45,000	United-Guardian Inc.	406,324	726,750
				383,000	Wright Medical Group NV†	<u>7,877,913</u>	<u>11,114,660</u>
						<u>73,222,741</u>	<u>234,603,973</u>
	Health Care — 6.2%						
51,900	Achaogen Inc.†	408,916	207,081		Home Furnishings — 0.3%		
5,000	Align Technology Inc.†	34,878	1,956,100	276,500	Bassett Furniture Industries Inc.	4,260,221	5,875,625
7,000	Allergan plc.	1,166,014	1,333,360	18,000	Bed Bath & Beyond Inc.	433,891	270,000
56,000	AngioDynamics Inc.†	586,498	1,217,440	20,000	Ethan Allen Interiors Inc.	476,706	415,000
6,000	Anika Therapeutics Inc.†	50,333	253,080	172,000	La-Z-Boy Inc.	<u>3,208,351</u>	<u>5,435,200</u>
11,000	Bio-Rad Laboratories Inc., Cl. A†	719,732	3,442,890			<u>8,379,169</u>	<u>11,995,825</u>
18,000	Bruker Corp.	164,974	602,100		Hotels and Gaming — 3.8%		
100,000	Cantel Medical Corp.	1,090,357	9,206,000	156,000	Belmond Ltd., Cl. A†	1,481,032	2,847,000
35,500	Cardiovascular Systems Inc.†	1,053,392	1,389,470	495,000	Boyd Gaming Corp.	4,085,890	16,755,750
94,500	Chemed Corp.	1,515,971	30,200,310	190,000	Canterbury Park Holding Corp.	1,954,656	2,897,500
57,000	CONMED Corp.	1,446,179	4,515,540	72,700	Churchill Downs Inc.	2,341,337	20,188,790
452,500	Cutera Inc.†	7,060,440	14,728,875	125,000	Dover Downs Gaming & Entertainment Inc.†	427,247	355,000
61,000	DexCom Inc.†	451,528	8,725,440	168,000	Formosa International Hotels Corp.	1,274,473	745,554
93,000	Evolent Health Inc., Cl. A†	1,491,751	2,641,200	540,000	Full House Resorts Inc.†	1,600,611	1,555,200
14,000	Global Blood Therapeutics Inc.†	726,142	532,000	110,000	Gaming and Leisure Properties Inc., REIT	1,158,505	3,877,500
192,000	Globus Medical Inc., Cl. A†	4,431,625	10,897,920	1,000,000	Genting Singapore Ltd.	969,758	775,392
86,000	Henry Schein Inc.†	844,050	7,312,580	171,000	Golden Entertainment Inc.†	1,549,180	4,105,710
4,000	Heska Corp.†	30,737	453,240	75,000	International Game Technology plc	1,428,974	1,481,250
41,000	ICU Medical Inc.†	1,781,267	11,592,750	168,000	Las Vegas Sands Corp.	843,397	9,967,440
24,000	Integer Holdings Corp.†	516,953	1,990,800	3,000,000	Mandarin Oriental International Ltd.	4,216,476	6,150,000
75,000	K2M Group Holdings Inc.†	1,423,352	2,052,750	30,000	Penn National Gaming Inc.†	131,625	987,600
285,000	Kindred Healthcare Inc.†(a)	2,599,004	2,565,000				
20,000	Lexicon Pharmaceuticals Inc.†	255,354	213,400				
30,000	LivaNova plc†	1,570,817	3,719,100				
107,000	Masimo Corp.†	2,765,020	13,325,780				
6,000	Melinta Therapeutics Inc.†	49,586	23,700				
188,000	Meridian Bioscience Inc.	3,696,958	2,801,200				
25,733	Neogen Corp.†	549,687	1,840,681				

See accompanying notes to financial statements.

The Gabelli Small Cap Growth Fund

Schedule of Investments (Continued) — September 30, 2018

Shares		Cost	Market Value	Shares		Cost	Market Value
	COMMON STOCKS (Continued)						
	Hotels and Gaming (Continued)						
545,000	Ryman Hospitality Properties Inc., REIT	\$ 15,528,142	\$ 46,962,650	1,308,200	The E.W. Scripps Co., Cl. A....	\$ 11,970,446	\$ 21,585,300
2,950,000	The Hongkong & Shanghai Hotels Ltd.	3,184,911	4,130,117			<u>15,810,497</u>	<u>28,956,731</u>
380,000	The Marcus Corp.	4,897,673	15,979,000	79,000	Real Estate — 1.4%	948,311	1,242,275
22,000	Wynn Resorts Ltd.	153,485	2,795,320	184,000	Capital Properties Inc., Cl. A...	4,590,353	7,472,240
		<u>47,227,372</u>	<u>142,556,773</u>	272,600	Griffin Industrial Realty Inc.(b)	5,244,869	10,631,400
				6,967	Gyrodyne LLC†	201,352	142,823
				19,500	Lamar Advertising Co., Cl. A, REIT	164,976	1,517,100
462,000	Machinery — 1.8%	16,828,992	23,289,420	100,000	Morguard Corp.	1,271,064	14,004,568
1,700,000	Astec Industries Inc.	5,782,380	20,417,000	32,000	New Senior Investment Group Inc., REIT	273,187	188,800
2,000	CNH Industrial NV	156,366	334,800	98,795	Reading International Inc., Cl. A†	1,569,390	1,560,961
227,500	Disco Corp.	4,323,303	9,909,900	2,537	Reading International Inc., Cl. B†	51,354	76,110
6,000	Kennametal Inc.	107,171	833,400	24,000	Seritage Growth Properties, Cl. A, REIT	999,473	1,139,760
173,000	Nordson Corp.	3,390,979	4,913,200	190,000	Tejon Ranch Co.†	4,832,152	4,124,900
200,000	The Eastern Co.	3,702,523	4,608,000	620,000	The St. Joe Co.†	10,305,110	10,416,000
100,000	Twin Disc Inc.†	513,586	2,088,000			<u>30,451,591</u>	<u>52,516,937</u>
	Welbilt Inc.†	34,805,300	66,393,720				
	Manufactured Housing and Recreational Vehicles — 0.8%						
91,000	Cavco Industries Inc.†	2,571,702	23,023,000	295,000	Retail — 5.0%	2,401,652	16,065,700
87,100	Nobility Homes Inc.	1,121,881	2,057,737	200,000	Aaron's Inc.	3,399,442	8,310,000
85,000	Skyline Champion Corp.	500,100	2,428,450	21,024	AutoNation Inc.†	156,313	121,098
59,000	Winnebago Industries Inc.	709,868	1,955,850	34,000	Barnes & Noble Education Inc.†	301,001	197,200
		<u>4,903,551</u>	<u>29,465,037</u>	64,000	Barnes & Noble Inc.	472,470	326,400
				2,350	Big 5 Sporting Goods Corp. ...	2,172,759	2,166,700
				22,400	Biglari Holdings Inc., Cl. A† ..	4,210,470	4,062,240
				147,000	Biglari Holdings Inc., Cl. B† ..	5,845,324	18,979,170
				164,000	Casey's General Stores Inc. ...	1,407,742	8,450,920
				2,500	Copart Inc.†	47,500	184,300
				107,000	Dunkin' Brands Group Inc.	363,080	442,980
				1,004,500	GNC Holdings Inc., Cl. A†	20,164,201	16,403,485
				665,000	Hertz Global Holdings Inc.† ...	11,051,587	22,776,250
				115,000	Ingles Markets Inc., Cl. A	729,257	190,900
				79,000	J.C. Penney Co. Inc.†	1,395,182	1,386,450
				174,000	Lands' End Inc.†	2,410,586	6,043,020
				85,000	Macy's Inc.	1,429,062	3,561,500
				16,500	Movado Group Inc.	630,424	1,410,090
				157,000	Murphy USA Inc.†	262,984	12,936,800
				100,000	Nathan's Famous Inc.		
					Penske Automotive Group Inc.	1,476,842	4,739,000
				100,000	Pets at Home Group plc.	171,753	155,627
				5,000	Pier 1 Imports Inc.	10,950	7,500
				1,880,000	Rite Aid Corp.†	3,723,797	2,406,400
				290,000	Rush Enterprises Inc., Cl. B ...	3,282,048	11,568,100
				4,000	Salvatore Ferragamo SpA	78,673	95,810
				17,000	Sprouts Farmers Market Inc.† ..	360,028	465,970

See accompanying notes to financial statements.

The Gabelli Small Cap Growth Fund
Schedule of Investments (Continued) — September 30, 2018

<u>Shares</u>		<u>Cost</u>	<u>Market Value</u>	<u>Principal Amount</u>		<u>Cost</u>	<u>Market Value</u>
	PREFERRED STOCKS — 0.3%						
	Automotive: Parts and Accessories — 0.2%						
135,000	Jungheinrich AG	\$ 927,856	\$ 5,141,126	\$17,089,000	U.S. GOVERNMENT OBLIGATIONS — 0.5%		
					U.S. Treasury Bills,		
					1.930% to 2.165%††,		
186,000	Financial Services — 0.1%				10/11/18 to 01/03/19	\$ 17,027,645	\$ 17,025,270
	Steel Partners Holdings LP						
	Ser. A, 6.000%	5,135,137	4,255,680		TOTAL		
	TOTAL PREFERRED STOCKS ..	<u>6,062,993</u>	<u>9,396,806</u>		INVESTMENTS — 99.8%	<u>\$1,503,550,847</u>	3,752,657,306
	CONVERTIBLE PREFERRED STOCKS — 0.0%				Other Assets and Liabilities (Net) — 0.2% ..		<u>8,884,976</u>
	Business Services — 0.0%				NET ASSETS — 100.0%		<u>\$3,761,542,282</u>
14,747	Trans-Lux Pfd., Ser. B,						
	6.000%(b)	2,949,400	103,671				
	RIGHTS — 0.0%				(a) Security is valued using significant unobservable inputs and is classified as Level 3 in the fair value hierarchy.		
	Entertainment — 0.0%				(b) Security considered an affiliated holding because the Fund owns at least 5% of its outstanding shares.		
1,680,000	Media General Inc., CVR†(a) ..	2	2		† Non-income producing security.		
	Health Care — 0.0%				†† Represents annualized yields at dates of purchase.		
290,000	Sanofi, CVR†	256,986	162,371		ADR American Depositary Receipt		
	Specialty Chemicals — 0.0%				CVR Contingent Value Right		
65,000	A. Schulman Inc. CVR†(a)	130,000	130,000		REIT Real Estate Investment Trust		
	TOTAL RIGHTS	<u>386,988</u>	<u>292,373</u>		SDR Swedish Depositary Receipt		

See accompanying notes to financial statements.

The Gabelli Small Cap Growth Fund

Statement of Assets and Liabilities September 30, 2018

Assets:	
Investments, at value (cost \$1,472,306,210)	\$3,709,638,874
Investments in affiliates, at value (cost \$31,244,637)	43,018,432
Foreign currency, at value (cost \$101,636)	102,659
Receivable for investments sold	9,689,134
Receivable for Fund shares sold	2,546,674
Dividends and interest receivable	3,361,998
Prepaid expenses	66,021
Total Assets	<u>3,768,423,792</u>
Liabilities:	
Payable to custodian	2,805
Payable for Fund shares redeemed	2,440,959
Payable for investments purchased	19,249
Payable for investment advisory fees	3,109,438
Payable for distribution fees	582,996
Payable for accounting fees	3,750
Payable for shareholder services fees	378,588
Other accrued expenses	343,725
Total Liabilities	<u>6,881,510</u>
Net Assets (applicable to 62,961,717 shares outstanding)	<u>\$3,761,542,282</u>
Net Assets Consist of:	
Paid-in capital	\$1,411,561,184
Total distributable earnings(a)	<u>2,349,981,098</u>
Net Assets	<u>\$3,761,542,282</u>

Shares of Capital Stock, each at \$0.001 par value:

Class AAA:	
Net Asset Value, offering, and redemption price per share (\$1,711,849,755 ÷ 28,716,962 shares outstanding; 150,000,000 shares authorized)	<u>\$59.61</u>
Class A:	
Net Asset Value and redemption price per share (\$208,947,081 ÷ 3,506,803 shares outstanding; 50,000,000 shares authorized)	<u>\$59.58</u>
Maximum offering price per share (NAV ÷ 0.9425, based on maximum sales charge of 5.75% of the offering price)	<u>\$63.21</u>
Class C:	
Net Asset Value and offering price per share (\$215,939,024 ÷ 4,140,090 shares outstanding; 50,000,000 shares authorized)	<u>\$52.16(b)</u>
Class I:	
Net Asset Value, offering, and redemption price per share (\$1,624,806,422 ÷ 26,597,862 shares outstanding; 50,000,000 shares authorized)	<u>\$61.09</u>

- (a) Effective September 30, 2018, the Fund has adopted disclosure requirements conforming to SEC Rule 6-04.17 of Regulation S-X and discloses total distributable earnings. See Note 2 for further details.
- (b) Redemption price varies based on the length of time held.

Statement of Operations For the Year Ended September 30, 2018

Investment Income:	
Dividends - unaffiliated (net of foreign withholding taxes of \$644,019)	\$ 56,863,473
Dividends - affiliated	379,434
Interest	713,207
Total Investment Income	<u>57,956,114</u>
Expenses:	
Investment advisory fees	37,828,091
Distribution fees - Class AAA	4,530,544
Distribution fees - Class A	558,863
Distribution fees - Class C	2,288,499
Distribution fees - Class T*	3
Shareholder services fees	3,026,893
Shareholder communication expenses	524,287
Custodian fees	381,379
Registration expenses	143,355
Directors' fees	138,164
Legal and audit fees	61,304
Accounting fees	45,000
Interest expense	6,676
Miscellaneous expenses	188,023
Total Expenses	<u>49,721,081</u>
Less:	
Advisory fee reduction on unsupervised assets (See Note 3)	(159,653)
Expenses paid indirectly by broker (See Note 6)	(26,687)
Total Reductions	<u>(186,340)</u>
Net Expenses	<u>49,534,741</u>
Net Investment Income	<u>8,421,373</u>
Net Realized and Unrealized Gain/(Loss) on Investments and Foreign Currency:	
Net realized gain on investments - unaffiliated	121,817,491
Net realized loss on investments - affiliated	(3,606,054)
Net realized loss on foreign currency transactions	(49,591)
Net realized gain on investments and foreign currency transactions	<u>118,161,846</u>
Net change in unrealized appreciation/depreciation: on investments	138,531,544
on foreign currency translations	(56,301)
Net change in unrealized appreciation/ depreciation on investments and foreign currency translations	<u>138,475,243</u>
Net Realized and Unrealized Gain/(Loss) on Investments and Foreign Currency	<u>256,637,089</u>
Net Increase in Net Assets Resulting from Operations	<u>\$265,058,462</u>

* Class T Shares were liquidated on September 21, 2018.

See accompanying notes to financial statements.

The Gabelli Small Cap Growth Fund

Statement of Changes in Net Assets

	<u>Year Ended September 30, 2018</u>	<u>Year Ended September 30, 2017</u>
Operations:		
Net investment income	\$ 8,421,373	\$ 2,965,279
Net realized gain on investments, redemption in-kind, and foreign currency transactions	118,161,846	200,865,095
Net change in unrealized appreciation/depreciation on investments and foreign currency translations	<u>138,475,243</u>	<u>494,226,607</u>
Net Increase in Net Assets Resulting from Operations	<u>265,058,462</u>	<u>698,056,981</u>
Distributions to Shareholders:		
Net investment income and net realized gain		
Class AAA	(97,375,048)	(69,298,120)
Class A	(11,913,171)	(10,531,673)
Class C	(13,818,420)	(9,687,652)
Class I	(75,491,783)	(45,666,891)
Class T*	<u>(57)</u>	<u>—</u>
Distributions to Shareholders(a)	<u>(198,598,479)</u>	<u>(135,184,336)**</u>
Capital Share Transactions:		
Class AAA	(201,418,340)	(182,899,403)
Class A	(24,283,403)	(79,068,410)
Class C	(18,302,979)	(26,766,840)
Class I	188,547,456	61,129,871
Class T*	<u>(1,104)</u>	<u>1,000</u>
Net Decrease in Net Assets from Capital Share Transactions	<u>(55,458,370)</u>	<u>(227,603,782)</u>
Redemption Fees	<u>9,649</u>	<u>3,367</u>
Net Increase in Net Assets	11,011,262	335,272,230
Net Assets:		
Beginning of year	<u>3,750,531,020</u>	<u>3,415,258,790</u>
End of year	<u>\$3,761,542,282</u>	<u>\$3,750,531,020</u>

(a) Effective September 30, 2018, the Fund has adopted disclosure requirements conforming to SEC Rule 6-04.17 of Regulation S-X. See Note 2 for further details.

* Class T Shares were liquidated on September 21, 2018.

** For the year ended September 30, 2017, the distributions to the shareholders from net investment income were \$1,482,446 (Class I). The distributions to the shareholders from net realized gain were \$69,298,120 (Class AAA), \$10,531,673 (Class A), \$9,687,652 (Class C), and \$44,184,445 (Class I).

See accompanying notes to financial statements.

The Gabelli Small Cap Growth Fund

Financial Highlights

Selected data for a share of capital stock outstanding throughout each year:

Year Ended September 30	Income (Loss) from Investment Operations				Distributions			Ratio to Average Net Assets/ Supplemental Data						
	Net Asset Value, Beginning of Year	Net Investment Income (Loss) (a)(b)	Net Realized Gain (Loss) on Investments	Total from Investment Operations	Net Investment Income	Net Realized Gain on Investments	Total Distributions	Redemption Fees (b)(c)	Net Asset Value, End of Year	Total Return †	Net Assets End of Year (in 000's)	Net Investment Income (Loss) (a)	Operating Expenses	Portfolio Turnover Rate
Class AAA														
2018	\$58.63	\$ 0.09	\$ 4.01	\$ 4.10	—	\$(3.12)	\$(3.12)	\$0.00	\$59.61	7.21%	\$1,711,850	0.16%	1.36%(d)	3%
2017	50.13	0.02	10.47	10.49	—	(1.99)	(1.99)	0.00	58.63	21.56	1,882,823	0.04	1.38(d)	4
2016	45.47	0.02	6.36	6.38	—	(1.72)	(1.72)	0.00	50.13	14.26	1,779,333	0.05	1.39(d)(e)	4
2015	46.91	(0.05)	(0.47)	(0.52)	—	(0.92)	(0.92)	0.00	45.47	(1.25)	1,784,050	(0.10)	1.38(d)	9
2014	45.82	(0.14)	2.65	2.51	—	(1.42)	(1.42)	0.00	46.91	5.47	2,103,544	(0.28)	1.38	5
Class A														
2018	\$58.60	\$ 0.09	\$ 4.01	\$ 4.10	—	\$(3.12)	\$(3.12)	\$0.00	\$59.58	7.21%	\$ 208,947	0.16%	1.36%(d)	3%
2017	50.11	0.01	10.47	10.48	—	(1.99)	(1.99)	0.00	58.60	21.55	229,282	0.02	1.38(d)	4
2016	45.45	0.02	6.36	6.38	—	(1.72)	(1.72)	0.00	50.11	14.26	270,163	0.05	1.39(d)(e)	4
2015	46.89	(0.05)	(0.47)	(0.52)	—	(0.92)	(0.92)	0.00	45.45	(1.25)	276,603	(0.10)	1.38(d)	9
2014	45.80	(0.14)	2.65	2.51	—	(1.42)	(1.42)	0.00	46.89	5.47	292,796	(0.28)	1.38	5
Class C														
2018	\$52.05	\$(0.30)	\$ 3.53	\$ 3.23	—	\$(3.12)	\$(3.12)	\$0.00	\$52.16	6.41%	\$ 215,939	(0.59)%	2.11%(d)	3%
2017	45.04	(0.34)	9.34	9.00	—	(1.99)	(1.99)	0.00	52.05	20.65	233,786	(0.71)	2.13(d)	4
2016	41.31	(0.30)	5.75	5.45	—	(1.72)	(1.72)	0.00	45.04	13.41	227,464	(0.70)	2.14(d)(e)	4
2015	43.01	(0.38)	(0.40)	(0.78)	—	(0.92)	(0.92)	0.00	41.31	(1.98)	220,763	(0.85)	2.13(d)	9
2014	42.43	(0.46)	2.46	2.00	—	(1.42)	(1.42)	0.00	43.01	4.68	222,684	(1.03)	2.13	5
Class I														
2018	\$59.86	\$ 0.25	\$ 4.10	\$ 4.35	—	\$(3.12)	\$(3.12)	\$0.00	\$61.09	7.49%	\$1,624,806	0.43%	1.11%(d)	3%
2017	51.09	0.16	10.67	10.83	\$(0.07)	(1.99)	(2.06)	0.00	59.86	21.84	1,404,639	0.30	1.13(d)	4
2016	46.19	0.13	6.49	6.62	—	(1.72)	(1.72)	0.00	51.09	14.56	1,139,299	0.29	1.14(d)(e)	4
2015	47.52	0.08	(0.49)	(0.41)	—	(0.92)	(0.92)	0.00	46.19	(1.00)	1,041,910	0.17	1.13(d)	9
2014	46.29	(0.01)	2.66	2.65	—	(1.42)	(1.42)	0.00	47.52	5.72	899,211	(0.03)	1.13	5

† Total return represents aggregate total return of a hypothetical \$1,000 investment at the beginning of the year and sold at the end of the year including reinvestment of distributions and does not reflect applicable sales charges.

(a) Due to capital share activity throughout the period, net investment income (loss) per share and the ratio to average net assets are not necessarily correlated among the different classes of shares.

(b) Per share amounts have been calculated using the average shares outstanding method.

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

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

(e) During the year ended September 30, 2016, the Fund received a reimbursement of custody expenses paid in prior years. Had such reimbursement (allocated by relative net asset values of the Fund's share classes) been included in that period, the expense ratios would have been 1.38% (Class AAA and Class A), 2.13% (Class C), and 1.13% (Class I).

See accompanying notes to financial statements.

The Gabelli Small Cap Growth Fund

Notes to Financial Statements

1. Organization. The Gabelli Small Cap Growth Fund is a series of the Gabelli Equity Series Funds, Inc. (the Corporation), which was incorporated on July 25, 1991 in Maryland. The Fund is a diversified open-end management investment company registered under the Investment Company Act of 1940, as amended (the 1940 Act), and one of three separately managed portfolios of the Corporation. The Fund seeks to provide a high level of capital appreciation. Gabelli Funds, LLC (the Adviser) currently characterizes small capitalization companies for the Fund as those with total common stock market values of \$3 billion or less at the time of investment. The Fund commenced investment operations on October 22, 1991.

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.

New Accounting Pronouncements. The SEC recently adopted changes to Regulation S-X to simplify the reporting of information by registered investment companies in financial statements. The amendments require presentation of the total, rather than the components, of distributable earnings on the Statement of Assets and Liabilities and also require presentation of the total, rather than the components, of distributions to shareholders, except for tax return of capital distributions, if any, on the Statement of Changes in Net Assets. The amendments also removed the requirement for parenthetical disclosure of undistributed net investment income on the Statement of Changes in Net Assets. These Regulation S-X amendments are reflected in the Fund's financial statements for the year ended September 30, 2018. As a result of adopting these amendments, the distributions to shareholders in the September 30, 2017 Statement of Changes in Net Assets presented herein have been reclassified to conform to the current year presentation.

To improve the effectiveness of fair value disclosure requirements, the Financial Accounting Standards Board recently issued Accounting Standard Update (ASU) 2018-13, Fair Value Measurement Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement (ASU 2018-13), which adds, removes, and modifies certain aspects relating to fair value disclosure. ASU 2018-13 is effective for interim and annual reporting periods beginning after December 15, 2019; early adoption of the additions relating to ASU 2018-13 is not required, even if early adoption is elected for the removals under ASU 2018-13. Management has early adopted the removals set forth in ASU 2018-13 in these financial statements and has not early adopted the additions set forth in ASU 2018-13.

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 Directors (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 the Adviser.

The Gabelli Small Cap Growth Fund

Notes to Financial Statements (Continued)

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 Small Cap Growth Fund

Notes to Financial Statements (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	
INVESTMENTS IN SECURITIES:				
ASSETS (Market Value):				
Common Stocks:				
Automotive: Parts and Accessories	\$ 172,497,833	—	\$11,283,070	\$ 183,780,903
Aviation: Parts and Services	165,277,018	\$ 1,366,777	—	166,643,795
Business Services	173,486,252	41,995	—	173,528,247
Consumer Products	53,948,588	11,082,260	—	65,030,848
Consumer Services	74,203,270	125,875	—	74,329,145
Diversified Industrial	254,185,760	4,841,302	—	259,027,062
Entertainment	113,891,385	301,519	—	114,192,904
Equipment and Supplies	361,072,082	1,393,875	—	362,465,957
Financial Services	146,010,442	513,447	2,500	146,526,389
Food and Beverage	376,698,973	—	0	376,698,973
Health Care	232,038,973	—	2,565,000	234,603,973
Manufactured Housing and Recreational Vehicles	27,407,300	2,057,737	—	29,465,037
Real Estate	51,274,662	1,242,275	—	52,516,937
Specialty Chemicals	128,572,429	684	—	128,573,113
Telecommunications	58,404,867	2,499,250	—	60,904,117
Other Industries (a)	1,292,313,199	—	—	1,292,313,199
Total Common Stocks	3,681,283,033	25,466,996	13,850,570	3,720,600,599
Closed-End Funds	5,238,587	—	—	5,238,587
Preferred Stocks (a)	5,141,126	4,255,680	—	9,396,806
Convertible Preferred Stocks (a)	—	103,671	—	103,671
Rights (a)	162,371	—	130,002	292,373
U.S. Government Obligations	—	17,025,270	—	17,025,270
TOTAL INVESTMENTS IN SECURITIES – ASSETS	\$3,691,825,117	\$46,851,617	\$13,980,572	\$3,752,657,306

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

The Gabelli Small Cap Growth Fund

Notes to Financial Statements (Continued)

The Fund did not have material transfers into or out of Level 3 during the fiscal year ended September 30, 2018.

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.

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

The Gabelli Small Cap Growth Fund

Notes to Financial Statements (Continued)

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 may invest up to 15% of its net assets 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. At September 30, 2018, the Fund held no restricted securities.

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 fiscal year ended September 30, 2018, the Fund's pro rata portion of the periodic expenses charged by the Acquired Funds was less than one basis point.

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 the 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.

Determination of Net Asset Value and Calculation of Expenses. Certain administrative expenses are common to, and allocated among, various affiliated funds. Such allocations are made on the basis of each fund's average net assets or other criteria directly affecting the expenses as determined by the Adviser pursuant to procedures established by the Board.

In calculating the NAV per share of each class, investment income, realized and unrealized gains and losses, redemption fees, and expenses other than class specific expenses are allocated daily to each class of shares based upon the proportion of net assets of each class at the beginning of each day. Distribution expenses are borne solely by the class incurring the expense.

Distributions to Shareholders. Distributions to 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 and foreign currency transactions held by the Fund, timing differences, and differing characterizations of distributions made

The Gabelli Small Cap Growth Fund

Notes to Financial Statements (Continued)

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. Permanent differences were primarily due to the redesignation of dividends, tax treatment of currency gains and losses, basis adjustments on investments in partnerships, and reclassification of REIT distributions. These reclassifications have no impact on the NAV of the Fund. For the fiscal year ended September 30, 2018, reclassifications were made to increase paid-in capital of \$5,242 with an offsetting adjustment to total distributable earnings.

The tax character of distributions paid during the fiscal years ended September 30, 2018 and 2017 was as follows:

	<u>Year Ended</u> <u>September 30, 2018</u>	<u>Year Ended</u> <u>September 30, 2017</u>
Distributions paid from:		
Ordinary income (inclusive of short term capital gains)	\$ 4,525,464	\$ 3,877,187
Net long term capital gains	<u>194,073,015</u>	<u>131,307,149</u>
Total distributions paid	<u>\$198,598,479</u>	<u>\$135,184,336</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.

At September 30, 2018, the components of accumulated earnings/losses on a tax basis were as follows:

Undistributed ordinary income	\$ 8,920,220
Undistributed long term capital gains	119,043,125
Net unrealized appreciation on investments	<u>2,222,017,753</u>
Total	<u>\$2,349,981,098</u>

At September 30, 2018, the temporary differences between book basis and tax basis unrealized appreciation on investments were primarily due to deferral of losses from wash sales for tax purposes, mark-to-market adjustments on investments in passive foreign investment companies, and basis adjustments in partnerships.

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

	<u>Cost</u>	<u>Gross</u> <u>Unrealized</u> <u>Appreciation</u>	<u>Gross</u> <u>Unrealized</u> <u>Depreciation</u>	<u>Net Unrealized</u> <u>Appreciation</u>
Investments	\$1,530,640,754	\$2,301,766,437	\$(79,749,885)	\$2,222,016,552

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 fiscal year ended September 30, 2018, the Fund did not incur any income tax, interest, or penalties. As of September 30, 2018, the Adviser has reviewed all open tax years and concluded that there

The Gabelli Small Cap Growth Fund

Notes to Financial Statements (Continued)

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 daily and paid monthly, at the annual rate of 1.00% of the value of its average daily net assets. In accordance with the Advisory Agreement, the Adviser provides a continuous investment program for the Fund's portfolio, oversees the administration of all aspects of the Fund's business and affairs, and pays the compensation of all Officers and Directors of the Fund who are affiliated persons of the Adviser.

There was a reduction in the advisory fee paid to the Adviser relating to certain portfolio holdings, i.e., unsupervised assets of the Fund with respect to which the Adviser transferred dispositive and voting control to the Fund's Proxy Voting Committee. During the fiscal year ended September 30, 2018, the Fund's Proxy Voting Committee exercised control and discretion over all rights to vote or consent with respect to such securities, and the Adviser reduced its fee with respect to such securities by \$159,653.

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

4. Distribution Plan. The Fund's Board has adopted a distribution plan for each class of shares, except for Class I Shares, pursuant to Rule 12b-1 under the 1940 Act. Under the Class AAA, Class A, and Class C Share plans, payments are authorized to G.distributors, LLC (Distributor), an affiliate of the Adviser, at annual rates of 0.25%, 0.25%, and 1.00%, respectively, of the average daily net assets of those classes, the annual limitations under each plan. Such payments are accrued daily and paid monthly.

5. Portfolio Securities. Purchases and sales of securities during the fiscal year ended September 30, 2018, other than short term securities and U.S. Government obligations, aggregated to \$108,479,356 and \$349,039,787, respectively.

6. Transactions with Affiliates and Other Arrangements. During the fiscal year ended September 30, 2018, the Fund paid \$263,917 in brokerage commissions on security trades to G.research, LLC, an affiliate of the Adviser. Additionally, the Distributor retained a total of \$68,132 from investors representing commissions (sales charges and underwriting fees) on sales and redemptions of Fund shares.

During the fiscal year ended September 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 \$26,687.

The Gabelli Small Cap Growth Fund

Notes to Financial Statements (Continued)

The cost of calculating the Fund's NAV per share is a Fund expense pursuant to the Advisory Agreement. During the fiscal year ended September 30, 2018, the Fund accrued \$45,000 in connection with the cost of computing the Fund's NAV.

During the fiscal year ended September 30, 2018, the Fund engaged in purchase and sale transactions with funds that have a common investment adviser. These transactions complied with Rule 17a-7 under the Act and amounted to \$2,604 in purchase transactions and \$143,190 in sales transactions.

7. Line of Credit. The Fund participates in an unsecured line of credit, which expires on March 6, 2019 and may be renewed annually, of up to \$75,000,000 under which it may borrow up to 10% of its net assets from the custodian for temporary borrowing purposes. Borrowings under this arrangement bear interest at a floating rate equal to the higher of the overnight Federal Funds rate plus 125 basis points or the 30 day LIBOR plus 125 basis points in effect on that day. This amount, if any, would be included in "Interest expense" in the Statement of Operations. At September 30, 2018, there were no borrowings under the line of credit.

The average daily amount of borrowings outstanding under the line of credit during the fiscal year ended September 30, 2018 was \$23,507 with a weighted average interest rate of 2.52%. The maximum amount borrowed at any time during the fiscal year ended September 30, 2018 was \$3,226,000.

8. Capital Stock. The Fund offers four classes of shares – Class AAA Shares, Class A Shares, Class C Shares, and Class I Shares. Class AAA and Class I Shares are offered without a sales charge. Class A Shares are subject to a maximum front-end sales charge of 5.75%, and Class C Shares are subject to a 1.00% contingent deferred sales charge for one year after purchase. Class T Shares were liquidated on September 21, 2018.

The Fund imposes a redemption fee of 2.00% on all classes of shares that are redeemed or exchanged on or before the seventh day after the date of a purchase. The redemption fee is deducted from the proceeds otherwise payable to the redeeming shareholders and is retained by the Fund as an increase in paid-in capital. The redemption fees retained by the Fund during the fiscal years ended September 30, 2018 and 2017, if any, can be found in the Statement of Changes in Net Assets under Redemption Fees.

During the fiscal year ended September 30, 2017, the Fund delivered shares of various portfolio securities as a redemption in-kind in exchange for Class I Shares of the Fund. Cash and portfolio securities were transferred as of the close of business on the date and at the market value listed below:

<u>April 4, 2017</u>	<u>Value</u>	<u>Realized Gains</u>	<u>Type</u>
Class I	\$22,630,343*	\$6,360,725	Redemption in-kind

* This amount includes cash of approximately \$13,762,243 associated with the redemption in-kind.

The Gabelli Small Cap Growth Fund

Notes to Financial Statements (Continued)

Transactions in shares of capital stock were as follows:

	Year Ended September 30, 2018		Year Ended September 30, 2017	
	Shares	Amount	Shares	Amount
Class AAA				
Shares sold.....	1,530,595	\$ 89,175,188	1,959,810	\$ 103,630,122
Shares issued upon reinvestment of distributions.....	1,662,328	95,267,987	1,339,903	67,691,926
Shares redeemed	(6,589,735)	(385,861,515)	(6,678,889)	(354,221,451)
Net decrease	<u>(3,396,812)</u>	<u>\$(201,418,340)</u>	<u>(3,379,176)</u>	<u>\$(182,899,403)</u>
Class A				
Shares sold.....	495,292	\$ 28,763,236	647,614	\$ 34,127,575
Shares issued upon reinvestment of distributions.....	194,678	11,151,169	191,443	9,665,977
Shares redeemed	(1,095,555)	(64,197,808)	(2,317,999)	(122,861,962)
Net decrease	<u>(405,585)</u>	<u>\$ (24,283,403)</u>	<u>(1,478,942)</u>	<u>\$ (79,068,410)</u>
Class C				
Shares sold.....	456,064	\$ 23,361,343	546,622	\$ 25,741,713
Shares issued upon reinvestment of distributions.....	258,736	13,055,827	199,574	9,006,763
Shares redeemed	(1,066,442)	(54,720,149)	(1,304,558)	(61,515,316)
Net decrease	<u>(351,642)</u>	<u>\$ (18,302,979)</u>	<u>(558,362)</u>	<u>\$ (26,766,840)</u>
Class I				
Shares sold.....	7,765,503	\$ 465,165,615	7,097,333	\$ 383,415,800
Shares issued upon reinvestment of distributions.....	1,175,566	68,888,197	798,770	41,112,658
Shares redeemed	(5,806,937)	(345,506,356)	(6,296,713)	(340,768,244)
Shares redeemed in-kind.....	—	—	(416,842)	(22,630,343)
Net increase	<u>3,134,132</u>	<u>\$ 188,547,456</u>	<u>1,182,548</u>	<u>\$ 61,129,871</u>
Class T *				
Shares sold.....	—	—	18	\$ 1,000
Shares issued upon reinvestment of distributions.....	1	\$ 57	—	—
Shares redeemed	(19)	(1,161)	—	—
Net increase/(decrease)	<u>(18)</u>	<u>\$ (1,104)</u>	<u>18</u>	<u>\$ 1,000</u>

* Class T Shares were liquidated on September 21, 2018.

The Gabelli Small Cap Growth Fund

Notes to Financial Statements (Continued)

9. Transactions in Securities of Affiliated Issuers. The 1940 Act defines affiliated issuers as those in which a Fund's holdings of an issuer represent 5% or more of the outstanding voting securities of the issuer. A summary of the Fund's transactions in the securities of these issuers during the fiscal year ended September 30, 2018 is set forth below:

	Beginning Shares	Shares Purchased	Shares Sold/ Reduced	Ending Shares	Dividends	Realized Gain/ (Loss)	Value at September 30, 2018	Change in Unrealized Appreciation/ (Depreciation)	Percent Owned of Shares Outstanding
Bel Fuse Inc., Cl. A	282,500	152	(1,000)	281,652	\$ 67,608	\$ (8,845)	\$ 5,951,307	\$(1,529,362)	12.95%
Griffin Industrial Realty Inc. . .	268,000	5,000	(400)	272,600	107,200	1,680	10,631,400	713,912	5.42%
Internap Corp.	6,224,861	3,785	(4,734,409)*	1,494,237	—	158,839	18,872,213	(7,559,743)	7.04%
Katy Industries Inc.**	—	840,000	—	840,000	—	—	2,646	42	10.56%
Strattec Security Corp.	207,000	1,000	—	208,000	116,144	—	7,415,200	(1,085,420)	5.61%
Trans-Lux Corp.	400,000	113,438	(399,938)	113,500	—	(3,757,728)	41,995	3,413,791	5.00%
Trans-Lux Cv. Pfd., Ser. B	14,747	—	—	14,747	<u>88,482</u>	<u>—</u>	<u>103,671</u>	<u>92,236</u>	89.31%
Total					<u>\$379,434</u>	<u>\$(3,606,054)</u>	<u>\$43,018,432</u>	<u>\$(5,954,544)</u>	

* 4,668,646 shares of the total shares reduced were due to a reverse 4 for 1 stock split.

** Security was not held as of September 30, 2017.

10. 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.

11. 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 Small Cap Growth Fund

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of
The Gabelli Small Cap Growth Fund

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of The Gabelli Small Cap Growth Fund (the “Fund”) (one of the funds constituting Gabelli Equity Series Funds, Inc. (the “Corporation”)), including the schedule of investments, as of September 30, 2018, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund (one of the funds constituting Gabelli Equity Series Funds, Inc.) at September 30, 2018, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Corporation’s management. Our responsibility is to express an opinion on the Fund’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Corporation in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement, whether due to error or fraud. The Corporation is not required to have, nor were we engaged to perform, an audit of the Corporation’s internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Corporation’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of September 30, 2018, by correspondence with the custodians and brokers or by other appropriate auditing procedures where replies from brokers were not received. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Ernst + Young LLP

We have served as the auditor of one or more Gabelli/GAMCO Funds investment companies since 1992.

Philadelphia, Pennsylvania
November 27, 2018

The Gabelli Small Cap Growth Fund

Additional Fund Information (Unaudited)

The business and affairs of the Corporation are managed under the direction of the Corporation's Board of Directors. Information pertaining to the Directors and officers of the Corporation is set forth below. The Corporation's Statement of Additional Information includes additional information about the Corporation's Directors and is available without charge, upon request, by calling 800-GABELLI (800-422-3554) or by writing to The Gabelli Small Cap Growth Fund at One Corporate Center, Rye, NY 10580-1422.

<u>Name, Position(s) Address¹ and Age</u>	<u>Term of Office and Length of Time Served²</u>	<u>Number of Funds in Fund Complex Overseen by Director</u>	<u>Principal Occupation(s) During Past Five Years</u>	<u>Other Directorships Held by Director³</u>
INTERESTED DIRECTORS⁴:				
Mario J. Gabelli, CFA Director and Chief Investment Officer Age: 76	Since 1991	33	Chairman, Chief Executive Officer, and Chief Investment Officer— Value Portfolios of GAMCO Investors, Inc. and Chief Investment Officer— Value Portfolios of Gabelli Funds, LLC and GAMCO Asset Management Inc.; Director/Trustee or Chief Investment Officer of other registered investment companies within the Gabelli/ GAMCO Fund Complex; Chief Executive Officer of GGCP, Inc.; Executive Chairman of Associated Capital Group, Inc.	Director of Morgan Group Holdings, Inc. (holding company); Chairman of the Board and Chief Executive Officer of LICIT Corp. (multimedia and communication services company); Director of CIBL, Inc. (broadcasting and wireless communications); Director of ICTC Group Inc. (communications)
John D. Gabelli Director Age: 74	Since 1991	10	Senior Vice President of G.research, LLC	—
INDEPENDENT DIRECTORS⁵:				
Anthony J. Colavita Director Age: 82	Since 1991	18	President of the law firm of Anthony J. Colavita, P.C.	—
Vincent D. Enright Director Age: 74	Since 1991	17	Former Senior Vice President and Chief Financial Officer of KeySpan Corp. (public utility) (1994-1998)	Director of Echo Therapeutics, Inc. (therapeutics and diagnostics) (2008-2014); Director of The LGL Group, Inc. (diversified manufacturing) (2011-2014)
Robert J. Morrissey Director Age: 79	Since 1991	6	Partner in the law firm of Morrissey, Hawkins & Lynch	Chairman of the Board of Directors, Belmont Savings Bank
Kuni Nakamura⁶ Director Age: 50	Since 2009	36	President of Advanced Polymer, Inc. (chemical manufacturing company); President of KEN Enterprises, Inc. (real estate)	—
Anthony R. Pustorino Director Age: 93	Since 1991	9	Certified Public Accountant; Professor Emeritus, Pace University	Director of The LGL Group, Inc. (diversified manufacturing) (2004-2011)
Anthonie C. van Ekris Director Age: 84	Since 1991	21	Chairman and Chief Executive Officer of BALMAC International, Inc. (global import/export company)	—
Salvatore J. Zizza Director Age: 72	Since 2001	30	President of Zizza & Associates Corp. (private holding company); Chairman of Harbor Diversified, Inc. (pharmaceuticals); Chairman of BAM (semiconductor and aerospace manufacturing); Chairman of Bergen Cove Realty Inc.; Chairman of Metropolitan Paper Recycling Inc. (recycling) (2005-2014)	Director and Vice Chairman of Trans-Lux Corporation (business services); Director and Chairman of Harbor Diversified Inc. (pharmaceuticals)

The Gabelli Small Cap Growth Fund Additional Fund Information (Continued) (Unaudited)

<u>Name, Position(s) Address¹ and Age</u>	<u>Term of Office and Length of Time Served²</u>	<u>Principal Occupation(s) During Past Five Years</u>
OFFICERS:		
Bruce N. Alpert President Age: 66	Since 1991	Executive Vice President and Chief Operating Officer of Gabelli Funds, LLC since 1988; Officer of registered investment companies within the Gabelli/GAMCO Fund Complex; Senior Vice President of GAMCO Investors, Inc. since 2008
John C. Ball Treasurer Age: 42	Since 2017	Treasurer of registered investment companies within the Gabelli/GAMCO Fund Complex since 2017; Vice President and Assistant Treasurer of AMG Funds, 2014-2017; Vice President of State Street Corporation, 2007-2014
Agnes Mullady Vice President Age: 60	Since 2006	Officer of registered investment companies within the Gabelli/GAMCO Fund Complex since 2006; President and Chief Operating Officer of the Fund Division of Gabelli Funds, LLC since 2015; Chief Executive Officer of G.distributors, LLC since 2010; Senior Vice President of GAMCO Investors, Inc. since 2009; Vice President of Gabelli Funds, LLC since 2007; Executive Vice President of Associated Capital Group, Inc. since 2016
Andrea R. Mango Secretary Age: 46	Since 2013	Vice President of GAMCO Investors, Inc. since 2016; Counsel of Gabelli Funds, LLC since 2013; Secretary of registered investment companies within the Gabelli/GAMCO Fund Complex since 2013; Vice President of closed-end funds within the Gabelli/GAMCO Fund Complex since 2014; Corporate Vice President within the Corporate Compliance Department of New York Life Insurance Company, 2011-2013
Richard J. Walz Chief Compliance Officer Age: 59	Since 2013	Chief Compliance Officer of registered investment companies within the Gabelli/GAMCO Fund Complex since 2013; Chief Compliance Officer of AEGON USA Investment Management, 2011-2013

¹ Address: One Corporate Center, Rye, NY 10580-1422, unless otherwise noted.

² Each Director will hold office for an indefinite term until the earliest of (i) the next meeting of shareholders, if any, called for the purpose of considering the election or re-election of such Director and until the election and qualification of his or her successor, if any, elected at such meeting, or (ii) the date a Director resigns or retires, or a Director is removed by the Board of Directors or shareholders, in accordance with the Fund's By-Laws and Articles of Incorporation. For officers, includes time served in prior officer positions with the Fund. Each officer will hold office for an indefinite term until the date he or she resigns or retires or until his or her successor is elected and qualified.

³ This column includes only directorships of companies required to report to the SEC under the Securities Exchange Act of 1934, as amended, i.e., public companies, or other investment companies registered under the 1940 Act.

⁴ "Interested person" of the Fund as defined in the 1940 Act. Messrs. Gabelli are each considered an "interested person" because of their affiliation with Gabelli Funds, LLC which acts as the Fund's investment adviser. Mario J. Gabelli and John D. Gabelli are brothers.

⁵ Directors who are not interested persons are considered "Independent" Directors.

⁶ Mr. Nakamura is a director of Gabelli Merger Plus+ Trust Plc, which may be deemed to be controlled by Mario J. Gabelli and/or affiliates and in that event would be deemed to be under common control with the Fund's Adviser.

The Gabelli Small Cap Growth Fund Additional Fund Information (Continued) (Unaudited)

2018 TAX NOTICE TO SHAREHOLDERS (Unaudited)

For the fiscal year ended September 30, 2018, the Fund paid to shareholders ordinary income distributions (inclusive of short term capital gains) totaling \$0.0711, \$0.0711, \$0.0711, and \$0.0711 per share for each of Class AAA, Class A, Class C, Class I, and Class T, respectively, and long term capital gains totaling \$194,073,015 or the maximum allowable. The distribution of long term capital gains has been designated as a capital gain dividend by the Fund's Board of Directors. For the fiscal year ended September 30, 2018, 100% of the ordinary income distribution qualifies for the dividends received deduction available to corporations. The Fund designates 100% of the ordinary income distribution as qualified dividend income pursuant to the Jobs and Growth Tax Relief Reconciliation Act of 2003. The Fund designates 0.60% of the ordinary income distribution as qualified interest income pursuant to the Tax Relief, Unemployment Reauthorization, and Job Creation Act of 2010.

U.S. Government Income:

The percentage of the ordinary income distribution paid by the Fund during the fiscal year ended September 30, 2018 which was derived from U.S. Treasury securities was 0.27%. Such income is exempt from state and local tax in all states. However, many states, including New York and California, allow a tax exemption for a portion of the income earned only if a mutual fund has invested at least 50% of its assets at the end of each quarter of the Fund's fiscal year in U.S. Government securities. The Gabelli Small Cap Growth Fund did not meet this strict requirement in 2018. The percentage of U.S. Government securities held as of September 30, 2018 was 0.45%. Due to the diversity in state and local tax law, it is recommended that you consult your personal tax adviser as to the applicability of the information provided to your specific situation.

All designations are based on financial information available as of the date of this annual report and, accordingly, are subject to change. For each item, it is the intention of the Fund to designate the maximum amount permitted under the Internal Revenue Code and the regulations thereunder.

Portfolio Manager Biography

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.

We have separated the portfolio manager's 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 manager's 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.

Gabelli Equity Series Funds, Inc.

THE GABELLI SMALL CAP GROWTH FUND

One Corporate Center
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GABELLI.COM

Net Asset Value per share available daily
by calling 800-GABELLI after 7:00 P.M.

BOARD OF DIRECTORS

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.

Vincent D. Enright
Former Senior Vice
President and Chief
Financial Officer,
KeySpan Corp.

John D. Gabelli
Senior Vice President,
G.research, LLC

Robert J. Morrissey
Partner,
Morrissey, Hawkins & Lynch

Kuni Nakamura
President,
Advanced Polymer, Inc.

Anthony R. Pustorino
Certified Public Accountant,
Professor Emeritus,
Pace University

Anthonie C. van Ekris
Chairman,
BALMAC International, Inc.
Salvatore J. Zizza
Chairman,
Zizza & Associates Corp.

OFFICERS

Bruce N. Alpert
President

John C. Ball
Treasurer

Agnes Mullady
Vice President

Andrea R. Mango
Secretary

Richard J. Walz
Chief Compliance Officer

DISTRIBUTOR

G.distributors, LLC

CUSTODIAN

State Street Bank and Trust
Company

**TRANSFER AGENT AND
DIVIDEND DISBURSING AGENT**

DST Asset Manager
Solutions, Inc.

LEGAL COUNSEL

Skadden, Arps, Slate, Meagher &
Flom LLP

This report is submitted for the general information of the shareholders of The Gabelli Small Cap Growth Fund. It is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.

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GABELLI
FUNDS

THE GABELLI SMALL CAP GROWTH FUND

*Annual Report
September 30, 2018*

