# GAMCO International Growth Fund, Inc.

## Shareholder Commentary
## September 30, 2018

**Caesar M. P. Bryan**
**Portfolio Manager**

**To Our Shareholders,**

For the quarter ended September 30, 2018, the net asset value ("NAV") per Class AAA Share of the GAMCO International Growth Fund decreased 0.7% compared with an increase of 1.4% for the Morgan Stanley Capital International ("MSCI") Europe, Australasia, and the Far East ("EAFE") Index. Other classes of shares are available. See page 2 for performance information for all classes.

Most equity markets gained during the third quarter. The standout performer was the United States. The S&P 500 Index powered ahead by 7.7% with the larger technology companies leading the way. The NASDAQ 100 Index, which includes the top 100 companies quoted on that exchange, was up by 7.4%. Generally, smaller companies did not perform as well. U.S. stocks were powered by very strong earnings growth, largely due to a lower corporate tax rate.

Overseas, European stocks rallied by 0.9% while the companies within the euro area only rose by 0.4%. In the Far East, the Japanese market performed well with the Nikkei 225 adding 8.1% while the more broadly based TOPIX Index was up a more modest 5.0%. Among the larger overseas markets that fell, in local currency terms, during the quarter were Canada, the United Kingdom and Hong Kong. They declined by 1.3%, 1.7% and 4.0% respectively.

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

| | Quarter | 1 Year | 5 Year | 10 Year | 15 Year | 20 Year | Since Inception (6/30/95) |
|---|---|---|---|---|---|---|---|
| **Class AAA (GIGRX)** | (0.71)% | 4.07% | 3.13% | 6.05% | 6.41% | 5.37% | 6.36% |
| MSCI EAFE Index | 1.35 | 2.74 | 4.42 | 5.38 | 6.80 | 5.20 | 5.14 |
| Lipper International Large-Cap Growth Fund Classification | 0.17 | 1.90 | 4.43 | 5.52 | 7.36 | 6.30 | 6.70 |
| Lipper International Multi-Cap Growth Fund Classification | (0.03) | 2.90 | 4.97 | 5.77 | 6.69 | 5.79 | 5.92 |
| **Class A (GAIGX)** | (1.03) | 3.68 | 3.05 | 6.05 | 6.42 | 5.44 | 6.43 |
| With sales charge (b) | (6.72) | (2.28) | 1.84 | 5.43 | 6.00 | 5.13 | 6.16 |
| **Class C (GCIGX)** | (1.21) | 2.90 | 2.28 | 5.22 | 5.61 | 4.61 | 5.70 |
| With contingent deferred sales charge (c) | (2.19) | 1.90 | 2.28 | 5.22 | 5.61 | 4.61 | 5.70 |
| **Class I (GIIGX)** | (0.66) | 4.92 | 4.06 | 6.68 | 6.85 | 5.69 | 6.64 |

**In the current prospectuses dated April 30, 2018 as supplemented on May 31, 2018, the gross expense ratios for Class AAA, A, C, and I Shares are 2.14%, 2.14%, 2.89%, and 1.89%, respectively, and the net expense ratios for these share classes after contractual reimbursements by Gabelli Funds, LLC, (the "Adviser") are 1.25%, 2.14%, 2.89%, and 1.00%, respectively. Class AAA and Class I Shares do not have a 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 for Class I Shares would have been lower had the Adviser not reimbursed certain expenses.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.* Investing in foreign securities involves risks not ordinarily associated with investments in domestic issues, including currency fluctuation, economic, and political risks. The Class AAA Share NAVs are used to calculate performance for the periods prior to the issuance of Class A Shares, Class C Shares, and Class I Shares on July 25, 2001, December 17, 2000, and January 11, 2008, respectively. 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. The MSCI EAFE Index is an unmanaged indicator of international stock market performance, while the Lipper International Large-Cap Growth Fund Classification and the Lipper International Multi-Cap Growth Fund Classification reflect the average performance of mutual funds classified in these particular categories. Dividends are considered reinvested. You cannot invest directly in an index.

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

(c) 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. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at www.gabelli.com.

However, due to the strength of the dollar, developed overseas markets gained 0.8%, and excluding Japan they rose only by 0.1% in dollar terms. Emerging market remained under pressure largely due to the strength of the dollar and, to a lesser extent, recent weakness in commodity prices. In aggregate, emerging markets fell by 2.0% with markets such as Turkey, Argentina, and China being particularly weak.

The dollar continues to strengthen as the U.S. economy outperforms and interest rates rise, making the dollar more attractive. Although the euro declined only marginally relative to the dollar during the quarter, the yen declined meaningfully. For the third quarter, the yen fell from 110.75 to 113.7 to the dollar. The DXY Index, which measures the dollar relative to its trading partners of the U.S., rose by 0.7% for the quarter.

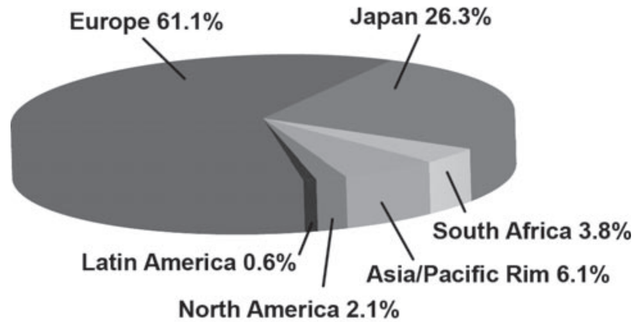
**Our Approach**

We purchase attractively valued companies that we believe have the opportunity to grow earnings more rapidly than average within that company's local market. We pay close attention to a company's market position, management, and balance sheet, with particular emphasis on the ability of the company to finance its growth. Generally, we value a company relative to its local market, but where appropriate, we will attempt to benefit from valuation discrepancies between markets. Our primary focus is on security selection and not country allocation, but the Fund will remain well diversified by sector and geography. Country allocation is likely to reflect broad economic, financial, and currency trends, as well as relative size of the market.

**International Allocation**

The accompanying chart presents the Fund's holdings by geographic region as of September 30, 2018. The geographic allocation will change based on current global market conditions. Countries and/or regions represented in the chart may or may not be included in the Fund's future portfolio.

**HOLDINGS BY GEOGRAPHIC REGION**




**Commentary**

The favorable backdrop to equity markets is being challenged. As we have highlighted in previous shareholder letters, the monetary backdrop for financial markets has become, in our opinion, less positive. This normalization of monetary policy is, of course, well known and therefore may already be fully discounted by markets. Bulls contend that monetary tightening reflects broad based economic strength and is to be welcomed. This may be correct.

The global economy is growing steadily, albeit recent forecasts for next year show some slowdown. Inflation remains muted and small recent increases have been welcomed by policymakers that, until lately, have been more concerned by deflation. Further, corporate earnings growth has been spectacular in the U.S. but much less exciting overseas. Finally, equity valuations are somewhat elevated in the U.S. but are more modest overseas. This partially reflects the huge outperformance of U.S. equities relative to overseas equities over the past few years.

The Federal Reserve (Fed) continues to tighten monetary policy. This is taking two forms. First, it is raising short term interest rates, and indeed, the current expectation is that the Fed will raise short term rates three times in 2019 by 25 basis points on each occasion. Overseas, while some central banks have followed the Fed's lead, the European Central Bank (ECB) and the Bank of Japan (BOJ) have not yet embarked on any rate rises.

Second, the Fed is shrinking its balance sheet. During the current quarter, the Fed will shed $50 billion of assets each month. This, of course, is $600 billion on annualized basis or a little less than 2% of the economy. Overseas, the ECB has announced that it intends to stop acquiring assets at the end of the year and even the BOJ is cutting back its asset purchase program. On a global basis, the massive wave of central bank liquidity that helped boost asset markets is being reversed. As this massive asset purchase program was an experiment, it therefore means that the outcome remains unknown. There is no precedent for this that we are aware of.

Recent economic news suggests that the European economy has slowed. The surge in the trade deficit during the past few years that boosted growth has moderated and domestic demand remains subdued. Chinese growth is also moderating and other emerging markets have not picked up the slack. Some, such as Turkey, Argentina, and Brazil, are not doing well at the moment.

In the U.S., interest rate sensitive sectors, such as housing and autos, are slowing. The consumer remains in decent shape as employment remains strong and wages have begun to rise. Also, capital spending is picking up, helped by changes in the tax code. The U.S. economic expansion is one of the longest on record but there are not obvious signs of overheating in any particular sector. However, current fiscal policy seems to be somewhat unorthodox. The government is allowing the deficit to rise late in the cycle when usually the deficit should be contracting. Government revenues are flat in a growing economy due to the tax cut, yet spending is motoring ahead. Thus, the deficit is rising quite sharply as the Fed is contracting its balance sheet. Looking ahead, there will be plenty of supply of government paper. There is no doubt that the U.S. economy has good momentum and will continue to benefit from fiscal stimulus well into next year as the government, for example, raises defense spending.

**Investment Scorecard**

Relative to the EAFE Index, the portfolio is overweighted to the consumer staple and healthcare sectors, reflecting a cautious stance towards global growth. Other significant overweights include the consumer discretionary and information technology sectors. The Fund is underweight in the financial, industrials, telecom services, utilities, and real estate sectors. The Fund is focused on companies that are cash generating and have strong balance sheets. A number of our Japanese holdings have considerable net cash positions.

Our top performers during the quarter were Sony Corporation (2.6% of net assets as of September 30, 2018), NagaCorp (0.6%), Novartis (2.7%), AstraZeneca (2.0%), and Investor AB (1.6%). We had a number of holdings that disappointed. One of our gold stocks, Agnico Eagle (1.0%), fell by 25.1%. This reflected a sell off in gold stocks and not a change in the company's fundamentals. Otherwise, Associated British Foods (1.0%), FamilyMart UNY, Naspers (3.8%) and JSP (0.2%) declined by between 14.7% and 17.4%

During the quarter we added Burford Capital (0.4%), Epiroc (0.4%), IHS Markit (0.6%), Scout24 (0.4%), and Ubisoft Entertainment (0.5%). We sold Family Mart UNY, and reduced our exposure to AstraZeneca, Christian Dior (4.0%), Kameda Seika (0.8%), Park24 (0.8%), and Roche (2.3%).

**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 percentage of net assets and their share prices, stated first in U.S. dollars and then in local currency, are presented as of September 30, 2018.

*Chr. Hansen Holding A/S (2.2% of nets assets as of September 30, 2018) (CHR – $101.51 | DKK 652.00 – Copenhagen Stock Exchange)*, based in Denmark, develops and produces cultures, enzymes, probiotics, and natural colors utilized by customers in the food, beverage, pharmaceutical, and agricultural industries. CHR estimates that it has a 45% market share of the cultures and enzymes global market, which are used to enhance production processes, yields, and quality of dairy, meat, and wine products. Through its expertise in microbial solutions, the company develops natural solutions for human health, including dietary supplements, as well as animal health and plant protection. Chr. Hansen targets long term annual organic revenue growth of 8%-10%, as it capitalizes on the growth of its end markets, such as yogurt and infant formula, particularly in emerging markets, and invests in new capabilities.

*Diageo plc (2.8%) (DEO –$35.44 | £27.19 – London Stock Exchange)* is the leading global producer of alcoholic beverages, with brands including Smirnoff, Johnny Walker, Ketel One, Captain Morgan, Crown Royal, J&B, Baileys, Tanqueray, and Guinness. The company has a balanced geographic presence in both mature and emerging markets, and it benefits from the trend of consumers around the world trading up to premium products. Over the past several years, Diageo made acquisitions that enhanced its presence in emerging markets: a majority stake in United Spirits, the leading spirits producer in India; Mey Icki, the leading spirits company in Turkey; Shui Jing Fang, a leading Chinese baiju producer; Ypioca, the leading cachaca producer in Brazil; and an increased stake in Halico, the leading domestic spirits producer in Vietnam. While economic conditions in emerging markets have created headwinds for some of these investments recently, the long term fundamentals of the spirits industry remain very favorable, and Diageo will be one of the largest beneficiaries of industry growth.

*Kameda Seika (0.8%) (2220 JP – $47.09 | ¥ 5,350 – Tokyo Stock Exchange)* is a maker of 'senbei,' or Japanese-style rice crackers. The company has a 26% market share in Japan and is a likely winner as this industry evolves from a Japan-only, artisanal one to a global, mass-produced one. Out of about 300 products, 11 are being actively promoted as core brands, which will make SG&A expenditures more efficient. Demand for gluten-free snacks is spurring demand for rice crackers in the U.S., where Kameda has a strong presence through TH Foods and Mary's Gone Crackers. Sales at these affiliates are now growing +13%. Full consolidation of TH Foods, which is contingent on buying out the majority stake held by Mitsubishi Corp. (8058), will boost the overseas proportion of operating profits to 40%. Senbei crackers are difficult to make, compared with potato chips for example, limiting the number of potential competitors.

*Kinnevik AB (1.3%) (KINV'B – $30.28 | SEK 269.10 – Stockholm Stock Exchange)*, headquartered in Stockholm, Sweden, is an investment company managing a portfolio of listed holdings, primarily in the telecommunications, online, and media sectors, including stakes in Zalando, Millicom, Tele2, MTG, and Com Hem. In addition, Kinnevik invests in small and mid-size private firms with significant growth potential, focusing primarily on online retail, general e-commerce and marketplaces, financial services, and healthcare. Kinnevik has been reducing the number of portfolio holdings and increasing focus on most promising ideas, which should help crystallize value over time. It has been active in 2018, helping engineer a deal between Tele2 and Com Hem, which should create a converged player with stronger market position in Sweden, and supporting a spin-off of Nordic Entertainment Group from MTG. In August 2018, the company distributed its stake in MTG, a digital entertainment group, to Kinnevik shareholders. This was done largely to ensure regulatory approval for a merger of Tele2 and Com Hem by putting Kinnevik in a position where it doesn't have de-facto control of two video distribution businesses: MTG (satellite TV) and Com Hem (cable). Since Kinnevik is trading at a discount to the net asset value of its portfolio, the above distribution could help unlock value, particularly since MTG itself plans to split into two companies later this year – Nordic Entertainment (satellite TV, broadcasting, and media business) and MTG (which will include eSports and online gaming, as well as digital video content operations). In the third quarter of 2018, Kinnevik made six new investments, including GoEuro (SEK 443 million), an online travel agency, and Kolonial.no (SEK 328 million), the only pure-play online grocer in Norway.

*L'Oreal S.A. (2.4%) (OR – $241.15 | €207.70 – Euronext Paris)* is the leading premium beauty brand with a strong portfolio that includes Lancôme, Yves Saint Laurent, Giorgio Armani Beauty, Garnier, and Kiehl's. The luxury cosmetics market grew approximately 9% in 2017, outpacing the total cosmetics market which itself grew an impressive 4%-5%. The beauty market is positioned for continued growth due to the emergence of new middle and upper classes, urbanization and aging populations. L'Oreal is well positioned in the e-commerce channel and we expect profits to benefit from increased direct-to-consumer sales.

*Millicom International Cellular S.A. (0.7%) (MIC – $57.44 | SEK 510.50 – Stockholm)*, headquartered in Luxembourg, is a wireless carrier serving over 47 million mobile B2C customers in eight countries in Latin America and Africa, primarily under the brand name Tigo. It also operates cable and fixed-broadband businesses with over 6.7 million RGUs in Latin America. Under the leadership of Mauricio Ramos, who became

CEO in April 2015, the company has refocused its strategy on monetizing the “Digital Lifestyle” (e.g. driving smartphone adoption, monetizing data, etc.), cable, and profitable growth. In early October 2018, Millicom agreed to acquire 80% interest in Cable Onda, the leading provider of broadband, pay TV, fixed telephony, and B2B services in Panama (with over 500 thousand customers), for a cash consideration of approximately $1.0 billion. The deal makes sense from a strategic perspective. It accelerates Millicom’s cable expansion, diversifies it into a relatively high GDP/capita growing dollarized (USD) investment-grade economy where penetration of pay TV (48% of households) and broadband (40%) are still low compared to similar GDP/capita markets, and fills a geographic gap (creating a contiguous footprint from Guatemala to Colombia). The deal should also enhance MIC’s revenue and profitability profile. Millicom continues to monetize / rationalize its African operations. In January 2018, the company completed the sale of its Rwanda business to Bharti Airtel. In April 2018, Millicom sold its Senegal operations to a consortium consisting of NJJ, Sofima, and Teyliom Group. Millicom’s primary focus is Latin America, and it would not be surprising if the company exits Africa completely in the next 12-24 months.

*Murata Manufacturing (1.9%) (6981 JP – $153.71 | ¥ 17,465 – Tokyo Stock Exchange)* is the world’s largest manufacturer of ceramic capacitors and other electronic components critical to the operation of mobile phones. A typical smartphone now contains over 600 capacitors. Murata is capable of producing 2.0 billion capacitors a day, making it an essential supplier to all mobile phone makers worldwide, including Apple and Samsung. The ‘Internet of Things’ is assuring that Murata’s capacitors and other components are increasingly being used in automobiles, appliances, and wearable devices, in addition to smartphones. Future growth areas include robotics. In 2017, Murata acquired the lithium ion battery division of Sony.

*Naspers Ltd. (3.8%) (NPN – $215.80 | ZAR 3,051.64 – JSE)*, headquartered in Cape Town, South Africa, is a global Internet and entertainment group and one of the largest technology investors in the world. The company’s largest asset is its 31% interest in Tencent Holdings, a leading provider of Internet value-added services in China. Other listed holdings include a 28% stake in Mail.ru Group (one of the largest Internet companies in the Russian-speaking market), a 22.5% stake in Delivery Hero (global online food ordering and delivery marketplace), and a 43% interest in MakeMyTrip, India’s largest online travel company. Naspers also has a number of unlisted holdings in online classifieds, B2C, and payments space. The company also operates a media and video-entertainment business on the African continent, offering customers entertainment across multiple platforms, including digital terrestrial television, direct-to-home, and subscription video-on-demand. In December 2017, Naspers held an investor day where management outlined group’s priorities focused on positioning the portfolio for growth (including continuing to pursue scale in Classifieds, Food, and FinTech; accelerating path to profitability in core segments; investing selectively in new opportunities with high potential; and optimizing value realization for non-strategic assets). In September 2018, Naspers announced its intention to spin off its Video Entertainment business to shareholders. The new company will be named MultiChoice Group and will be listed on the Johannesburg Stock Exchange. The spin-off aims to unlock value for Naspers shareholders, as the company continues to trade at a significant discount (nearly 40%) to the estimated sum of its parts.

*Nestlé SA (3.2%) (NESN – $83.37 | CHF 81.82 – VTX)* is the largest food and beverage company in the world. The company's broad product portfolio includes coffee, bottled water, infant formula, frozen meals, ice cream, pet food, and a large stake in cosmetics maker L'Oreal. Over the years, Nestlé has rapidly expanded its focus on nutrition, health and wellness, and today, healthier living is the cornerstone of the company's strategy. With a background in healthcare, new CEO Mark Schneider seems poised to continue this strategic direction. During the quarter, the company announced it agreed to sell its Gerber Life Insurance business for $1.55 billion, and also announced that it would explore strategic alternatives for its Nestlé Skin Health business. The company also closed on the previously announced acquisition of the CPG business of Starbucks for $7.15 billion. We expect the company to continue to optimize its portfolio in coming years as it works to deliver improved organic growth and margin improvement.

*Sony Corp. (2.6%) (6758 JP – $61.31 | ¥6,966 – Tokyo Stock Exchange)* is an entertainment conglomerate that develops various electronic equipment and produces music and motion pictures. Sony owns valuable content in the gaming, music, and motion picture industries. Sony designs the popular PlayStation video game console and first party content. Sony Music Entertainment conducts business under Columbia Records, Epic Records, and other labels. Sony Pictures Entertainment operates under Columbia Pictures, Screen Gems, TriStar Pictures, Sony Pictures Animation, and Sony Pictures Imageworks.

**Conclusion**

The Fed's policy of normalizing monetary policy does, in our opinion, pose a threat to the equity market. Usually when the Fed embarks on a cycle of raising rates, the economy, after a lag, suffers a recession. According to commentators, the last thirteen times the Fed has embarked on a policy of raising rates, the economy has entered a recession ten times. A reliable forecaster of an impending recession is the slope of the yield. Usually when the curve inverts a recession follows. Since the end of 2016, the yield differential has narrowed by about 100 basis points. Towards the end of September, the spread between the U.S. government 10 year and 2 year bond fell to a cycle low of 18 basis points. This indicator is worth watching despite many respected economists who say that this time it really is different because short term interest rates have risen from such a low level.

The market assumed that the differences over trade between the U.S. and her trading partners would be fixed with little or no impact. This may have been overly optimistic. The U.S. administration has come to a preliminary agreement with Mexico and Canada. Similarly, it seems that there is a framework for an arrangement with Europe. That leaves Japan, South Korea and, most importantly, China. The trade deficit with China accounts for well over half of the total U.S. trade deficit. The U.S. wants to move quickly and the Chinese are dragging their feet. This negotiation may prove difficult to conclude in a timely manner and it is clear that the U.S. regards China as a threat and a foe in many different areas.

In Europe, the Brexit negotiations are not over and this creates uncertainty for both business and the consumer. However, arguably the bigger threat may emanate from the Italian debt impasse. This has gone on for years and so investors, reasonably, assume nothing really bad can happen. They may be right but there is a small but real risk that Italy, governed by a populist government, confronts the E.U. bureaucrats and other E.U. governments over their budget. After all, the ECB, the buyer of last resort, has said it will cease its asset purchase program at the end of the year. Of course, there are other programs that are available to assist a euro area country.

Increased market volatility will lead to opportunities and this is a good time to increase exposure to reasonably valued overseas companies that have underperformed their U.S. counterparts for a number of years. Some mean reversion can be expected.

November 7, 2018

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

| | | | |
|---|---|---|---|
| Keyence Corp. | 5.0% | CIE Financiere Richemont S.A. | 3.1% |
| Christian Dior SE. | 4.0% | SMC Corp. | 3.0% |
| Naspers Ltd. | 3.8% | Diageo Plc. | 2.8% |
| Nestlé S.A. | 3.2% | Novartis AG | 2.7% |
| Jardine Matheson Holdings Ltd. | 3.2% | Sony Corp. | 2.6% |

**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 a 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.

The Fund's daily net asset value per share is 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.

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.

**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 Fund began offering additional classes of Fund shares in March 2000. 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 would enhance the ability of the Fund to attract additional investors.

**GAMCO INTERNATIONAL GROWTH FUND, INC.**
**One Corporate Center**
**Rye, NY 10580-1422**

## Portfolio Manager Biography

**Caesar M. P. Bryan** joined GAMCO Asset Management in 1994. He is a member of the global investment team of Gabelli Funds, LLC and portfolio manager of several funds within the Gabelli/GAMCO Fund Complex. Prior to joining Gabelli, Mr. Bryan was a portfolio manager at Lexington Management. He began his investment career in 1979 at Samuel Montagu Company, the London based merchant bank. Mr. Bryan graduated from the University of Southampton in England with a Bachelor of Law and is a member of the English Bar.

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# GAMCO INTERNATIONAL GROWTH FUND, INC.

*Shareholder Commentary*
*September 30, 2018*

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## Third Quarter Report — September 30, 2018

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

### Comparative Results

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

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| With contingent deferred sales charge (c) | (2.19) | 1.90 | 2.28 | 5.22 | 5.61 | 4.61 | 5.70 |
| **Class I (GIIGX)** | (0.66) | 4.92 | 4.06 | 6.68 | 6.85 | 5.69 | 6.64 |

***In the current prospectuses dated April 30, 2018 as supplemented on June 1, 2018, the gross expense ratios for Class AAA, A, C, and I Shares are 2.14%, 2.14%, 2.89%, and 1.89%, respectively, and the net expense ratios for these share classes after contractual reimbursements by Gabelli Funds, LLC, (the Adviser) are 1.25%, 2.14%, 2.89%, and 1.00%, respectively. Class AAA and Class I Shares do not have a 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 for Class I Shares would have been lower had the Adviser not reimbursed certain expenses. 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.* Investing in foreign securities involves risks not ordinarily associated with investments in domestic issues, including currency fluctuation, economic, and political risks. The Class AAA Share NAVs are used to calculate performance for the periods prior to the issuance of Class A Shares, Class C Shares, and Class I Shares on July 25, 2001, December 17, 2000, and January 11, 2008, respectively. 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. The MSCI EAFE Index is an unmanaged indicator of international stock market performance, while the Lipper International Large-Cap Growth Fund Classification and the Lipper International Multi-Cap Growth Fund Classification reflect the average performance of mutual funds classified in these particular categories. Dividends are considered reinvested. You cannot invest directly in an index.

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

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

# GAMCO International Growth Fund, Inc.
# Schedule of Investments — September 30, 2018 (Unaudited)

| Shares | | Market Value |
|---|---|---|
| | **COMMON STOCKS — 100.0%** | |
| | **CONSUMER DISCRETIONARY — 22.8%** | |
| 7,100 | Accor SA | $ 364,525 |
| 3,000 | ASX Ltd. | 138,050 |
| 2,190 | Christian Dior SE | 938,255 |
| 8,850 | Compagnie Financiere Richemont SA | 721,418 |
| 700 | Fast Retailing Co. Ltd. | 356,839 |
| 850 | Hermes International | 563,120 |
| 55,000 | ITV plc | 113,159 |
| 40,000 | Luk Fook Holdings International Ltd. | 139,238 |
| 476 | Modern Times Group MTG AB, Cl. B | 17,460 |
| 135,000 | NagaCorp. Ltd. | 141,409 |
| 4,100 | Naspers Ltd., Cl. N | 884,768 |
| 1,800 | Rinnai Corp. | 137,194 |
| 1,000 | Shimano Inc. | 161,151 |
| 10,000 | Sony Corp. | 613,096 |
| | | 5,289,682 |
| | **CONSUMER STAPLES - FOOD, BEVERAGE, AND TOBACCO — 16.6%** | |
| 7,700 | Associated British Foods plc | 229,830 |
| 5,750 | British American Tobacco plc | 268,644 |
| 5,500 | Danone SA | 425,931 |
| 18,600 | Diageo plc | 659,177 |
| 5,000 | Heineken NV | 468,832 |
| 10,000 | Japan Tobacco Inc. | 261,046 |
| 4,000 | Kameda Seika Co. Ltd. | 188,347 |
| 9,000 | Nestlé SA | 750,336 |
| 3,600 | Pernod Ricard SA | 590,602 |
| | | 3,842,745 |
| | **INDUSTRIALS — 13.5%** | |
| 10,000 | Epiroc AB, Cl. B† | 102,955 |
| 2,700 | FANUC Corp. | 509,014 |
| 2,500 | IHS Markit Ltd.† | 134,900 |
| 11,900 | Jardine Matheson Holdings Ltd. | 746,725 |
| 13,000 | Komatsu Ltd. | 395,423 |
| 2,200 | Nidec Corp. | 316,485 |
| 6,000 | Park24 Co. Ltd. | 181,394 |
| 2,200 | SMC Corp. | 704,031 |
| 1,400 | Toshiba Machine Co. Ltd. | 31,310 |
| | | 3,122,237 |
| | **HEALTH CARE — 13.1%** | |
| 6,000 | AstraZeneca plc | 466,333 |
| 3,000 | Coloplast A/S, Cl. B | 306,777 |
| 1,800 | EssilorLuxottica | 266,356 |
| 10,000 | GlaxoSmithKline plc | 200,308 |
| 7,250 | Novartis AG | 623,497 |
| 6,000 | Novo Nordisk A/S, Cl. B | 282,489 |
| 2,200 | Roche Holding AG, Genusschein | 532,963 |
| 19,400 | Smith & Nephew plc | 353,879 |
| | | 3,032,602 |
| | **INFORMATION TECHNOLOGY — 9.4%** | |
| 500 | Baidu Inc., ADR† | $ 114,340 |
| 2,000 | Keyence Corp. | 1,161,415 |
| 2,900 | Murata Manufacturing Co. Ltd. | 445,771 |
| 2,000 | Scout24 AG | 93,255 |
| 30,000 | The Sage Group plc | 229,295 |
| 2,000 | Topcon Corp. | 36,508 |
| 1,000 | Ubisoft Entertainment SA† | 108,465 |
| | | 2,189,049 |
| | **MATERIALS — 8.3%** | |
| 7,000 | Agnico Eagle Mines Ltd. | 239,400 |
| 2,667 | Air Liquide SA | 350,836 |
| 5,000 | Chr. Hansen Holding A/S | 507,559 |
| 2,000 | JSP Corp. | 51,083 |
| 4,000 | Randgold Resources Ltd., ADR | 282,200 |
| 9,625 | Rio Tinto plc | 486,757 |
| | | 1,917,835 |
| | **CONSUMER STAPLES - HOUSEHOLD AND PERSONAL PRODUCTS — 7.6%** | |
| 2,640 | Henkel AG & Co. KGaA | 280,310 |
| 2,300 | L'Oreal SA | 554,645 |
| 1,300 | Reckitt Benckiser Group plc | 118,881 |
| 7,000 | Shiseido Co. Ltd. | 542,096 |
| 5,000 | Unilever NV | 278,449 |
| | | 1,774,381 |
| | **FINANCIALS — 7.3%** | |
| 30,000 | AIA Group Ltd. | 267,873 |
| 4,000 | Burford Capital Ltd. | 101,353 |
| 8,000 | Investor AB, Cl. B | 369,692 |
| 10,000 | Kinnevik AB, Cl. B | 302,788 |
| 15,200 | Prudential plc | 348,588 |
| 7,500 | Schroders plc | 302,553 |
| | | 1,692,847 |
| | **TELECOMMUNICATION SERVICES — 0.7%** | |
| 3,000 | Millicom International Cellular SA, SDR | 172,323 |
| | **ENERGY — 0.7%** | |
| 2,500 | Schlumberger Ltd. | 152,300 |
| | **TOTAL COMMON STOCKS** | 23,186,001 |
| | **TOTAL INVESTMENTS — 100.0%** (Cost $15,006,800) | $23,186,001 |

† Non-income producing security.
ADR American Depositary Receipt
SDR Swedish Depositary Receipt

See accompanying notes to schedule of investments.

| Geographic Diversification | % of Market Value | Market Value |
|---|---|---|
| Europe | 61.1% | $14,168,344 |
| Japan | 26.3 | 6,092,201 |
| Asia/Pacific | 6.1 | 1,406,226 |
| South Africa | 3.8 | 884,768 |
| North America | 2.1 | 493,053 |
| Latin America | 0.6 | 141,409 |
| | 100.0% | $23,186,001 |

See accompanying notes to schedule of investments.

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

**Security Valuation.** Portfolio securities listed or traded on a nationally recognized securities exchange or traded in the U.S. over-the-counter market for which market quotations are readily available are valued at the last quoted sale price or a market's official closing price as of the close of business on the day the securities are being valued. If there were no sales that day, the security is valued at the average of the closing bid and asked prices or, if there were no asked prices quoted on that day, then the security is valued at the closing bid price on that day. If no bid or asked prices are quoted on such day, the security is valued at the most recently available price or, if the Board of 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 Gabelli Funds, LLC (the Adviser).

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

Securities and assets for which market quotations are not readily available are fair valued as determined by the Board. Fair valuation methodologies and procedures may include, but are not limited to: analysis and review of available financial and non-financial information about the company; comparisons with the valuation and changes in valuation of similar securities, including a comparison of foreign securities with the equivalent U.S. dollar value American Depositary Receipt securities at the close of the U.S. exchange; and evaluation of any other information that could be indicative of the value of the security.

The Fund employs a fair value model to adjust prices to reflect events affecting the values of certain portfolio securities, which occur between the close of trading on the principal market for such securities (foreign exchanges and over-the-counter markets) at the time when net asset values of the Fund are determined. If the Fund's valuation committee believes that a particular event would materially affect net asset value, further adjustment is considered.

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

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

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

| | Valuation Inputs |
|---|---|
| | Level 1 Quoted Prices |
| **INVESTMENTS IN SECURITIES:** | |
| **ASSETS (Market Value):** | |
| Common Stocks(a) | $23,186,001 |
| **TOTAL INVESTMENTS IN SECURITIES – ASSETS** | $23,186,001 |

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

**Additional Information to Evaluate Qualitative Information.**

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

***Fair Valuation.*** Fair valued securities may be common or preferred equities, warrants, options, rights, or fixed income obligations. Where appropriate, Level 3 securities are those for which market quotations are not available, such as securities not traded for several days, or for which current bids are not available, or which are restricted as to transfer. Among the factors to be considered to fair value a security are 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 observable 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 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.

**Tax Information.** The Fund intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended.

**GAMCO INTERNATIONAL GROWTH FUND, INC.**
**One Corporate Center**
**Rye, NY 10580-1422**

## Portfolio Manager Biography

**Caesar M. P. Bryan** joined GAMCO Asset Management in 1994. He is a member of the global investment team of Gabelli Funds, LLC and portfolio manager of several funds within the Gabelli/GAMCO Fund Complex. Prior to joining Gabelli, Mr. Bryan was a portfolio manager at Lexington Management. He began his investment career at Samuel Montagu Company, the London based merchant bank. Mr. Bryan graduated from the University of Southampton in England with a Bachelor of Law and is a member of the English Bar.

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.

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# GAMCO INTERNATIONAL GROWTH FUND, INC.

*Third Quarter Report*
*September 30, 2018*