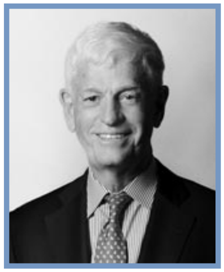
The Gabelli Value 25 Fund Inc.

Shareholder Commentary
December 31, 2019

(Y)our Portfolio Management Team



Mario J. Gabelli, CFA
Chief Investment Officer

Christopher J. Marangi
Co-Chief Investment Officer

To Our Shareholders,

For the quarter ended December 31, 2019, the net asset value (NAV) per Class A Share of The Gabelli Value 25 Fund increased 6.5% compared with increases of 9.1% and 6.7% for the Standard & Poor's (S&P) 500 Index and the Dow Jones Industrial Average, respectively. Other classes of shares are available. See page 2 for additional performance information for all classes.

Introduction: Starting the 20s With a Roar[1]

In absolute terms, 2019 was an excellent year with stocks, corporate bonds, gold and oil all up double digits. This contrasted sharply with 2018 when virtually every asset class declined as a result of a growth scare reminiscent of those in 2011 and 2015. Economic growth in the U.S. indeed slowed but remained above 2%. As it turns out, the 2010s was the first decade in U.S. history without a recession and home to the longest bull market on record. Life in the political realm has remained more volatile. While Brexit and U.S. trade deals appear on a path to resolution, President Trump faces impeachment and the coming election is sure to keep 2020 interesting. From here, the economy and the markets figure to grind higher, albeit the latter at a muted pace.

Like the Roaring 1920s, we see the coming decade marked by the mass adoption of new technologies (e.g. artificial intelligence) and great societal change, in this case a focus on the environment in what we have called the Decade of the Planet. We are also seeing signs of a shift in the prevailing investment regime to one that favors our value-oriented Private Market Value with a Catalyst™ approach. Regardless of the macro events unfolding, we remain committed to our process and methodology and are excited about the opportunities ahead of us.

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[1]Technically, the next decade does not begin until January 1, 2021 as the Gregorian calendar starts with Year 1, but we'll abide by the popular notion of welcoming new decades on years ending in zero.

Comparative Results

Average Annual Returns through December 31, 2019 (a)

	Quarter	1 Year	5 Year	10 Year	15 Year	Since Inception (9/29/89)
Class A (GABVX)	6.51%	17.85%	4.25%	9.55%	6.30%	9.82%
With sales charge (b)	0.38	11.07	3.02	8.90	5.88	9.60
S&P 500 Index	9.07	31.49	11.70	13.56	9.00	9.95
Dow Jones Industrial Average	6.66	25.26	12.54	13.34	9.42	10.80
Nasdaq Composite Index	12.49	36.74	15.00	16.14	11.14	11.00
Class AAA (GVCAX)	6.56	17.79	4.25	9.56	6.30	9.82
Class C (GVCCX)	6.41	17.05	3.48	8.74	5.50	9.29
With contingent deferred sales charge (c)	5.41	16.05	3.48	8.74	5.50	9.29
Class I (GVCIX)	6.68	18.31	4.62	9.90	6.55	9.95

In the current prospectuses dated April 30, 2019, the gross expense ratios for Class AAA, A, C, and I Shares are 1.44%, 1.44%, 2.19%, and 1.19%, respectively, and the net expense ratios for these share classes after contractual reimbursements by Gabelli Funds, LLC, (the "Adviser") are 1.44%, 1.44%, 2.19%, and 1.00%, respectively. The contractual reimbursement for Class I Shares is in effect through April 30, 2020. 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 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 A Share NAVs are used to calculate performance for the periods prior to the issuance of Class AAA Shares on April 30, 2010, Class C Shares on March 15, 2000, and Class I Shares on January 11, 2008. The actual performance of the Class C Shares would have been lower due to the additional fees and expenses associated with this class of shares. The actual performance of the Class AAA Shares, and Class I Shares would have been higher due to lower expenses associated with these classes of shares. The S&P 500 Index is a market capitalization weighted index of 500 large capitalization stocks commonly used to represent the U.S. equity market. The Dow Jones Industrial Average and the Nasdaq Composite Index are unmanaged indicators of stock market performance. Dividends are considered reinvested, except for the Nasdaq Composite Index. You cannot invest directly in an index.

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

Barron's 2020 Roundtable

Mario J. Gabelli, our Chief Investment Officer, has appeared in the prestigious Barron's Roundtable discussion annually since 1980. Many of our readers enjoyed the inclusion of selected and edited comments from Barron's Roundtable in previous reports to shareholders. As is our custom, we are including selected comments of Mario Gabelli from Barron's, published on January 27, 2020.

BARRON'S

JANUARY 25, 2020

THE 2020 ROUNDTABLE

Mario, head of Gabelli Funds and its parent firm, is a Wall Street legend, for good reason. He's a shrewd thematic investor with a love of deals, an eye for steals, and an encyclopedic knowledge of multiple businesses and the people who built them.

Barron's: Mario, how many picks do you have for us this year?

Mario Gabelli: I've got nine. First of all, I'm back to baseball: Liberty Braves (BATRA). The stock is $29.30 with 60 million shares and a $1.8 billion market value. The team finished with a 97-65 record last season so they've done well on the field. Secondly, Major League Baseball is examining the minor league ownership rules, which should increase the value of their A, AA and AAA teams. The third point is betting, which is going to keep the eyeballs focused on the game – meaning more advertising and money for the league. In addition to that, they've got SunTrust Park (renamed Truist Park), which is doing extremely well. John Malone controls the voting stock except for the 18% our clients own. He will exit at some point. The one tiny challenge is that they don't have the rights to the television network because they licensed those off.

Barron's: What could the stock be worth?

Mario Gabelli: I won't sell for less than $42.

Barron's: What's your second-favorite sport Mario?

Mario Gabelli: It's basketball: The Madison Square Garden Company (MSG). It closed at $300 per share with under 24 million shares and $1 billion in net cash. There's financial engineering going on. Instead of spinning off the sports teams – which would have required NBA approval – the Knicks, the Rangers and some other assets are staying in RemainCo, and they're spinning off all their entertainment businesses via a SpinCo, hopefully this quarter.

The Knicks have an enviable record, unlikely to be surpassed. Forbes values the team at over $4 billion. Independent of that, you just had Joe Tsai from Alibaba buy a piece of the Nets. And he paid a fairly significant amount of money.

Barron's: What about the spun-off entertainment businesses?

Mario Gabelli: Live entertainment and live tours are popular and profitable. Madison Square Garden is a leading live entertainment venue operation. But I'm not going to recommend SpinCo. And that's because they're building the Sphere in Las Vegas, which is going to be more expensive than I expected. And they're duplicating it in London. So I need to see the economics of that more clearly. But you want to buy the RemainCo, which is the sports teams.

Barron's: On to number three Mario.

Mario Gabelli: I'm going to pivot to talking about an El Segundo, California defense company: Aerojet Rocketdyne Holdings (AJRD). They make liquid-fuel, solid-fuel, air-breathing and electric- propulsion engines. So the things that make rockets and missiles go up.

The Russians, the Chinese and the USA are all developing hypersonic missiles, which will make our existing missile defense systems look like the Maginot Line. The Pentagon will have a budget this year of $758 billion, up from $741 billion. And the U.S. just created Space Force.

Barron's: What are Aerojet's numbers?

Mario Gabelli: There are 90 million diluted shares at $48, $500 million of cash and undervalued real estate assets. Revenues are $1.9 billion with earnings at $1.75 per share, but that's because certain products were phased out and we think results will inch up in 2020.

Lockheed Martin (LMT) is their best customer, and that's where hypersonics fit in. But space launch systems are part of their aerojet expertise.

Barron's: Let's bring it back to Earth for your next pick.

Mario Gabelli: Alright, then the next one is Fox Corp at $37 per share [Barron's parent company and Fox share common ownership]. They sold their entertainment assets to Walt Disney (DIS) since we talked about them last January. I went to their first investor conference in May, where they said they're not going to do anything major. But they've already done four acquisitions and a half a billion dollar stock buyback. For example, they bought Credible in Australia, which is a financial company. They bought TSG in Canada because of Fox Bet, they have Fox Sports. Live sports and News are part of their DNA. They're also putting money into wrestling champions – WWE.

The quarter that just ended in December might not be vibrant reflecting political spending in 2018 quarter, but then results just roar ahead. With all of these politicians running for office and gathering money and spending it, this is going to be a tsunami year for TV broadcasters. Buy the voting stock (FOXB). You're getting it at a discount to the non-voting stock, plus you get the vote. They can earn $3.50 per share for the year ending in June 2021.

Barron's: What about another recent media M&A story, ViacomCBS (VIAC)?

Mario Gabelli: That one has been very painful for the last four years. They finally merged on December 4th. Again, you've got to buy the voting stock. National Amusements – Shari Redstone – owns 42 million shares of the 52 million voting shares which sell at a $3 premium to the non-voting shares. The whole company has a $24 billion equity value. That's

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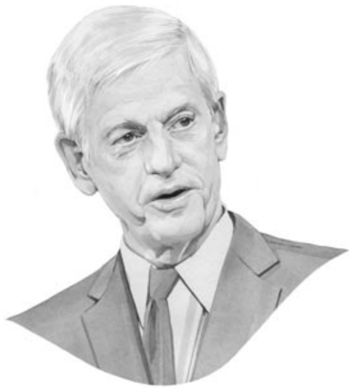
-Mario Gabelli



Mario Gabelli

Chairman and CEO

GAMCO Investors

Rye, N.Y.

a tiny morsel for Apple (AAPL), for Amazon (AMZN), in the hunt for content. Their movie studio Paramount has 3,700 movie titles and 140,000 episodes in their content library. They have NFL football. They have Bob Bakish. Meanwhile, they're becoming an arms dealer to all of these Peacocks and Hulus and Disney Pluses and Netflixes of the world. My dream wish on this one is that Sony Pictures merges with Paramount. Let's create a content juggernaut.

Barron's: How are the financials?

Mario Gabelli: In calendar 2020, we see $6.5 billion of EBITDA. Also, they are selling CBS' firm headquarters, Black Rock. Over the next five years, they're going to generate about $30 billion of EBITDA. Capex is de minimis, like $200 million a year. The result is significant cash flow, so they can spend $14 billion into new content and bolster Pluto and streaming.

Scott Black: They generate free cash flow but there's no growth, Mario. It's all financial engineering. I don't see it. The company's impaired, it has been for a long time.

Mario Gabelli: I think the stock has clearly reflected that.

Scott Black: I agree it's undervalued. But it's a value trap.

Barron's: We'll leave that up to the market. What are your last picks Mario?

Mario Gabelli: Look, in the previous session this morning, in which we took part, we talked about a lot of things, with regards to the economy. What's new with tariffs, technology, taxes and the U.S. 10-year Treasury note. The 10-year last year, at October 1st, was at 3.20%. Today it's around 1.80%. So, that's boosted the P/E multiple.

What I want to talk about is my theme for the decade of the 20s and that is saving Planet Earth. And helping people and creating potential. Saving the planet with regards to getting rid of plastics and dealing with climate change is fundamental. So, to do this, let's talk about wind, solar, battery storage and transmission and all the infrastructure needed for transmission.

Mario Gabelli: An idea: Orange, Connecticut-based Avangrid (AGR) trades at $50. They have a regulated utility business and their $10 billion rate base is growing. So, we'll have a tailwind to earnings and a rising dividend. The second part is the renewables business, in which they're a major factor in solar and wind. Iberdrola owns 250+ million of 310 million shares outstanding.

MARIO GABELLI'S PICKS

Company	Ticker	Price 1/3/2020
Liberty Braves Group	BATRA	$29.70
Madison Square Garden	MSG	299.16
Aerojet Rocketdyne Holdings	AJRD	48.79
Fox	FOX	36.10
ViacomCBS	VIACA	45.35
Avangrid	AGR	50.94
NextEra Energy Partners	NEP	52.22
Davide Campari-Milano	CPR.Italy	€ 8.18
Swedish Match	SWMA.Sweden	SEK505.80

Source: Bloomberg

My seventh pick, NextEra Energy Partners (NEP) at $51 should be bought and has significant opportunity in renewables.

Barron's: Two to go.

Mario Gabelli: The next one I'm going to recommend is a product that even my wife likes. And it's called Aperol – Aperol Spritz's are the big thing now – made by Davide Campari-Milano (CPR.Italy). They're selling at about 8 euros. Aperol is about 20% of their revenues, Campari is 18%. They also have Wild Turkey, which is what got me interested in the company years ago. And they have extraordinarily competent management.

Finally, Swedish Match (SWMA. Sweden) around 500 krona, is best known for making snus and nicotine pouches. It's simple. They're selling ZYN in more and more locations in the U.S. and growing fast. The only short-term challenge is the Swedish krona has come down sharply relative to the dollar, which means their significant revenues in the United States benefit. If the krona gets a little stronger, they lose some of that. But the point I'm making is, we can talk about IoT, about fintech, about the iPhone or whatever. But sometimes you should buy these consumer products companies with explosive growth, great managers – that's it.

Barron's: Thank you, Mario.

Mario J. Gabelli is the Chairman and Chief Investment Officer — Value Portfolios of GAMCO Investors, Inc. and Portfolio Manager of various investment products at the firm. The securities mentioned in the article are not representative of any portfolio, and the views expressed are subject to change at any time.

As of December 31, 2019, affiliates of GAMCO Investors, Inc. beneficially owned 1.9% of Liberty Braves Group, 4.8% of Swedish Match, 5.3% of Madison Square Garden Co., 1.6% of Walt Disney Co., 11.2% of ViacomCBS Inc., 3.1% of Aerojet Rocketdyne Holdings Inc., and 0.4% of Fox Corp.

The views expressed in this article reflect those of the Chief Investment Officer only through the date of the interview. Minor edits were made. The Chief Investment Officer's views are subject to change at any time based on market and other conditions. Favorable earnings or EBITDA (Earnings before Interest, Taxes, Depreciation, and Amortization) growth prospects do not necessarily translate into higher stock prices, but they do express a positive trend which we believe will develop over time. The information contained in this article is not an offer to sell or a solicitation to buy any security. No security or other product is offered or will be sold in any jurisdiction in which such offer or solicitation, purchase or sale would be unlawful under the securities, or other laws of the jurisdiction.

Stocks are subject to market, economic and business risks that cause their prices to fluctuate. Consequently, you can lose money by investing in the Fund.

Investors should consider the investment objectives, risks, sales charges and expense of the fund carefully before investing. The prospectus contains more information on this and other matters.

For more information, visit our website: www.gabelli.com or call:
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Politics, Economics & The Market

Much as a blinding snowstorm can give way to a crystalline paradise, the tumult of late 2018 created a wonderland of bargains in the market. In retrospect it appears investors correctly anticipated an economic slowdown that manifested itself primarily in the industrial and materials sectors (key purchasing manager indices spent the last three quarters of 2019 in contraction) and flat corporate earnings in 2019. However, the markets, ever forward looking, rebounded as the so-called Powell and Trump puts were triggered. Federal Reserve Chairman Jerome Powell backtracked on his project to normalize interest rates, cutting rates three times and increasing bond purchases and overnight funding operations. After escalating trade hostilities with China, President Trump showed an increasing willingness to make amends, culminating in Phase One of a deal announced, but not signed, in December. All the while, the American consumer has remained steadfast, supported by the lowest unemployment rate (3.6%) since 1969 and rising household wealth (+3% to $114 trillion).

The 2019 manufacturing air pocket may be the pause that refreshes, extending the 126 month expansion, the longest on record. The strength, breadth and length of this expansion will clearly be influenced by a number of factors including the outcome of the 2020 presidential election and the many issues underpinning it – wealth inequality, educational and health care costs, trade policy and the national debt/deficit (we would prefer a bit more focus on the latter).

With a recession postponed yet again and interest rates lower, the total return of the S&P 500 exceeded 30% in 2019, propelled almost entirely by an expansion of the average earnings multiple from 15x to 19x. Earnings in 2020 should benefit from accelerating economic activity and an easier comparison versus 2019. At first blush it may be difficult to believe multiples could expand or even remain flat from here, especially with the looming election, but considering that 2019 included Brexit, impeachment, trade crises and unrest in Hong Kong among other issues, it becomes less of leap of faith. Unforeseen events are sure to emerge in the new year, but the market is likely just as apt to continue treating them as noise.

The Great Rotation?

Equity returns in 2019 were by no means smooth. The market recovered its September 2018 highs in April and traded sideways until the late summer. The first nine months of 2019 followed the script of nine of the last ten years. That is, the most expensive stocks outperformed the cheapest stocks, or as popularly formulated, Growth beat Value. However, coinciding with the beginning of a year-end push higher, the second week of September saw an abrupt shift as some of the most adored stocks dramatically lagged the forgotten and forlorn stocks. Although Value ultimately lost again to Growth, it outperformed in fits and starts throughout the fourth quarter. Among the reasons: (a) market anticipation of an economic upturn in mid-2020 benefitting cyclical stocks, which are more often also value stocks; (b) a steepening of the yield curve, particularly benefitting financial stocks which comprise more than one quarter of most value indices; and (c) a gap in valuations between dear and cheap approaching historical extremes.

The Disrupted Disrupters

We would posit one other reason for confidence in a value comeback – the bursting of the late stage venture bubble in what might be called the “WeWork effect” after the $47 billion real estate unicorn that came crashing to earth. The share prices of a number of newly public unicorns such as Uber, Lyft, Slack, SmileDirectClub and Pinterest provide further evidence that something is amiss with the business model of giving services away in the hope of one day making money. A pivot to profitability for a number of venture funded companies should support the cash flow generative companies we tend to favor. Indeed, many industry incumbents – what we term the Disrupted Disrupters – are fighting back. Despite controlling the most valuable entertainment properties on earth, The Walt Disney Company (1.6% of net assets as of December 31, 2019) has faced headwinds from a pay-TV subscriber base eroded by the likes of Netflix and YouTube. In response, Disney has reclaimed much of its previously licensed content to launch its own direct-to-consumer experience, Disney+. Other traditional media companies are following similar paths. Similarly, Edgewell, (0.4%) owner of the Schick brand, agreed to purchase shaving upstart Harry’s to accelerate their efforts to reach younger consumers while Conagra and Maple Leaf Foods are investing in innovation, going beyond the burger with their own plant-based meat alternative.

2020s: The Decade of the Planet

The selection of sixteen year-old environmental activist Greta Thunberg as Time magazine’s Person of the Year may have been controversial, but it certainly captured the spirit of a period marked by the introduction of the Green New Deal and an inability to get a plastic straw at most dining establishments. Irrespective of how much the climate may actually be changing, how much influence humans have in it or what can or should be done to address it, global warming will animate our youth and the public policies they will increasingly control for the foreseeable future. Of course, the social consciousness reminiscent of the anti-war movement of the 1960s goes beyond just climate change. The World Wide Web (www.) defined much of the last 20+ years; three new W’s may define the coming decade:

Weather – Climate change and everything related to reducing greenhouse emissions, including renewable power generation, vehicle electrification, plant-based foods, and carbon sequestration.

Water – As demonstrated by recent issues in Flint and Newark, access to clean water is not just a Third World problem. Significant investment will be required for water conservation, sanitation and delivery globally.

Waste – Reduce, Reuse, Recycle are buzzwords that require broader adoption. Innovation in manufacturing and packaging are needed to reduce the human footprint on global ecosystems.

We have integrated the discussion of environmental impacts into our broader investment process. We seek to identify companies whose businesses might be threatened over a long time horizon by one the Ws (e.g. all aspects of the internal combustion engine, plastic production, etc.). Perhaps more importantly, we’re also looking for companies that can benefit from increased investment in addressing environmental issues and/or a shift in consumer preferences for such companies.

SRI and ESG

Not surprisingly, the environmental theme has drawn tremendous interest at our firm and other asset managers, with over $30 trillion currently invested in Environmental, Social, Governance (ESG) strategies globally. Socially conscious investing has seen several incarnations including the anti-apartheid Sullivan principles adopted in the late 1970s. Gabelli entered the Socially Responsive Investing (SRI) field in 1987 largely on behalf of religious institutions. SRI strategies typically exclude companies that participate in certain activities such as gambling, tobacco and weapons production. Separately, Gabelli formalized its focus on the corporate governance of all firms with our Magna Carta of Shareholder Rights published in 1988. ESG, which first appeared in the early 2000s, attempts to unite a focus on the environmental and societal impacts of a firm with its corporate governance. ESG strategies aren't necessarily exclusionary (although the Gabelli ESG fund specifically prohibits investment in fossil fuels, gambling and weapons production); rather, ESG investors tend to emphasize companies that at a minimum do no harm and at best make positive contributions to the issues that matter to them. While ESG strategies encompass many of the governance principles outlined in our Magna Carta, governance becomes especially relevant to the extent it reinforces good environmental and social practices. Finally, Impact Investing goes beyond SRI and ESG investing in that it is usually focused on a narrower set of issues and may often prioritize advancement of those issues ahead of short and medium term profitability. Over the long-run, the goal of most Impact Investors and some ESG investors is to lower the cost of capital for firms regarded as good actors by driving investment toward them.

Clearly this area is evolving quickly and requires the refinement of the definitions surrounding ESG as well as the techniques to measure firm compliance with those objectives. We think our accumulated compounded knowledge of industries uniquely positions us to evaluate the ESG quality of many companies while our history of bespoke investment strategies enables us to respond to growing client demand. Please contact us if you are interested in hearing more about these developments.

Investment Scorecard

With a preliminary resolution to trade issues and an accommodative Fed, industrial stocks rebounded strongly in 2019. Among the largest contributors to returns for the fourth quarter and the year were diversified industrial Honeywell (2.3% of net assets as of December 31, 2019, +38%) and pump and valve supplier Circor International (1.0%, +117). After some early year market trepidation over the coming video game cycle, Sony (7.3%, +42%) continued its resurgence as its music and media portfolios performed well the investors gained new appreciation for its investment in the next generation sensors integral to phones and vehicles. Supported by robust consumer spending, Mastercard (1.3%, +59%) and American Express (4.4%, +32%) reached new highs. Consumer stocks Swedish Match (4.8%, +34%) and global snack maker Mondelez (1.4%, +40%) added meaningfully to performance for the year with Swedish Match the fourth quarter leader after the FDA designated the company's General snus products as less harmful than cigarettes, and the company continues to see strong growth for its ZYN nicotine pouches. Finally, with uncertainty elevated and loose monetary conditions, the Fund benefitted from its long-time position in leading gold miner Newmont Goldcorp (4.8%, +31%).

Despite strong performance from The Walt Disney Company (1.6%, +33%) and cable distributors Comcast (1.7%, +34%) and Liberty Broadband (1.0%, +75%) (the John Malone-related entity that owns 25% of Charter Communications), cable programming companies such as AMC Networks (0.9%, -28%), MSG Networks (0.8%, -26%) and ViacomCBS (11.2%, -4%) faced continued headwinds from a shift in consumer behavior away from the traditional pay-TV bundle. Notably, Viacom and CBS completed their long-discussed reunion during the year with that increased scale will assist them in addressing the changing landscape. Finally, Telephone & Data Systems (0.8%, -20%) and US Cellular (0.5%, -30%) retraced their 2018 gains as the wireless industry remains competitive and the company searches for strategic direction.

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 December 31, 2019.

American Express Co. (4.4%) (AXP – $124.49 – NYSE) is the largest closed loop credit card company in the world. The company operates its eponymous premiere branded payment network and lends to its largely affluent customer base. As of September 2019, American Express has 114 million cards in force and nearly $84 billion in loans, while its customers charged $1.2 trillion of spending on their cards in 2018. The company's strong consumer brand has allowed American Express to enter the deposit gathering market as an alternate source of funding, while the company's affluent customers have picked up spending. Longer term, American Express should capitalize on its higher spending customer base and continue to expand into other payment related businesses, such as corporate purchasing, while also growing in emerging markets. Similarly, the company is looking at the growing success of social media as an opportunity to expand its product base and payment options.

Bank of New York Mellon Corp. (3.2%) (BK – $50.33 – NYSE) is a global leader in providing financial services to institutions and individuals. The company operates in more than one hundred markets worldwide and strives to be the global provider of choice for investment management and investment services. As of December 2019, the firm had $37.1 trillion in assets under custody and $2.0 trillion in assets under management. Going forward, we expect BK to benefit from rising global incomes and the cross border movement of financial transactions.

Crane Co. (2.2%) (CR – $86.38 – NYSE), based in Stamford, Connecticut, is a diversified manufacturer of highly engineered industrial products comprised of four business segments: Fluid handling, Aerospace & Electronics, Engineered Materials, and Payments & Merchandising Systems with over 11,000 employees across 26 countries. The company recently acquired Crane Currency, a producer of currency products for more than 200 years and is entrusted by more than 50 central banks to play an integral role in the design and manufacture of their nations' banknotes. Crane Currency is the fastest growing fully integrated global currency provider and is an excellent complement to Crane Co.'s expanding presence in the currency and payment markets.

Madison Square Garden Co. (5.3%) (MSG – $294.19 – NYSE) is an integrated sports and entertainment company that owns the New York Knicks, the New York Rangers, the Radio City Christmas Spectacular, The Forum, and that iconic New York venue, Madison Square Garden. These evergreen content and venue assets benefit from sustainable barriers to entry and long term secular growth. MSG completed the separation of its associated regional sports networks in September 2015, leaving a reliable cash flow stream for MSG to reinvest and repurchase shares. The company reiterated its intent to separate into a Sports company (consisting of the teams) and an Entertainment company (consisting of MSG's concert business, Christmas Spectacular, arenas and development assets including the Spheres in Las Vegas and London). Although delayed, we expect a transaction early in 2020.

Republic Services Inc. (4.0%) (RSG – $89.63 – NYSE), based in Phoenix, Arizona, became the second largest solid waste company in North America after its acquisition of Allied Waste Industries in December 2008. Republic provides nonhazardous solid waste collection services for commercial, industrial, municipal, and residential customers in forty-one states and Puerto Rico. Republic serves more than 2,800 municipalities and operates 190 landfills, 211 transfer stations, 342 collection operations, and 88 recycling facilities. Since the Allied merger, Republic has benefited from synergies driven by route density, beneficial use of acquired assets, and reduction in redundant corporate overhead. Republic is committed to its core solid waste business. While other providers have strayed into alternative waste resource technologies and strategies, we view Republic's plan to remain steadfast in the traditional solid waste business positively. We expect continued solid waste growth acquisitions, earnings improvement, and incremental route density and internalization growth in already established markets to generate real value in the near to medium term, highlighting the company's potential.

Sony Corp. (7.3%) (SNE – $68.00 – NYSE) is a conglomerate based in Tokyo, Japan, focusing on direct-to-consumer entertainment products supported by the company's technology. Sony is the #1 integrated global gaming company and we expect the gaming segment to contribute over 1/3 of total EBITDA (ex-financial) in 2020 following the much anticipated launch of the PlayStation 5, probably for the 2020 holiday season. Sony Music Recording commands #2 and Music Publishing #1 global share. Sony also operates the Sony/Columbia film studio, which is well positioned in the OTT streaming wars as a major supplier of high quality library shows like Seinfeld and new movies like Once Upon a Time in Hollywood. It is an image sensor leader with over 50% global revenue share and is the dominant supplier to Apple iPhone. Sony's Electronics business is a globally diversified cash cow. It also holds majority ownership of Sony Financial Services.

Swedish Match AB (4.8%) (SWMA – $51.55/SEK 482.80 – Stockholm Stock Exchange) produces tobacco products that include snus and snuff, chewing tobacco, cigars, and lights. The company has been benefiting from the growth of the smokeless tobacco market in both Scandinavia and the U.S., as public smoking bans and health concerns are driving consumers to seek alternative tobacco products to cigarettes. In October 2010, Swedish Match combined its European and premium cigar portfolios with Scandinavian cigar and pipe tobacco company STG, creating a new company that should benefit from enhanced scale and synergies. In February 2016, STG went public via an IPO on the Copenhagen Stock Exchange, with Swedish Match fully exiting its stake by 2017. The company has a tobacco-free nicotine pouch product called ZYN that is growing rapidly in the U.S. and Scandinavia, and is driving growth in its mass market cigar business through its new natural leaf products. In October 2019, the company's General Snus brand was deemed a modified risk tobacco product (MRTP) by the FDA. We expect Swedish Match to continue to grow its cigar and smokeless business globally, and the company could be an attractive takeover candidate for a global tobacco company that wants to increase its presence in the smokeless segment.

The Walt Disney Company (1.6%) (DIS – $144.63 – NYSE) Disney's direct-to-consumer platform, Disney+, had a successful launch in November 2019. Given the service's breadth of high-quality content and low $6.99/month and $69.99/year price, we expect Disney's 60-90 million 2024 global-subscriber target to be achievable and perhaps conservative. Once established, Disney+ should benefit from pricing power given its peers are priced at $10+ per month. Moreover, we expect the subscription streaming business to benefit from attractive marginal economics and rapid margin expansion at scale. Parks & consumer products remain in secular growth. New projects such as Shanghai Disney, the Disney Cruise Line ship expansions, and attendance and pricing growth associated with new lands will drive continued profit growth. Declining capital intensity will translate EBITDA growth into free-cash-flow.

ViacomCBS (11.2%) (VIACA – $44.87 – NASDAQ) is the product of the December 2019 recombination of Viacom and CBS, two Sumner Redstone controlled companies. ViacomCBS is a globally-scaled content company with networks including CBS, Showtime, Nickelodeon, MTV, Comedy Central, VH1, BET, thirty television stations, the Simon & Schuster publishing house and the Paramount movie studio. The companies separated in 2005, but changes in the media landscape have put a premium on global scale. Together ViacomCBS should be able to better navigate shifts in consumer behavior and monetization while generating significant cost savings and enhancing revenue growth.

Conclusion

A new decade doesn't guarantee a new investing paradigm, but the alternating dominance of Growth and Value has historically run in cycles. The current cycle is long in the tooth. We continue to search for and find value in the growth dynamics of certain companies, but we have not changed our core approach and are ready for any relative market tailwind. We construct portfolios from the bottom up in a way that makes us look different from any index. Over a long period, we believe being idiosyncratic, relying on ideas that can generate positive returns irrespective of economic conditions, is the best way for us to add value to (y)our Fund.

__________ ___, 2020

Top Ten Holdings (Percent of Net Assets)
December 31, 2019

ViacomCBS Inc.	11.2%	American Express Co.	4.4%
Sony Corp.	7.3%	Republic Services Inc.	4.0%
The Madison Square Garden Co.	5.3%	Diageo plc.	3.5%
Swedish Match AB	4.8%	Bank of New York Mellon Corp.	3.2%
Newmont Goldcorp Corp.	4.8%	Aerojet Rocketdyne Holdings Inc.	3.2%

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

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.

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.

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

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Multi-Class Shares

The Gabelli Value 25 Fund began offering additional classes of Fund shares on March 15, 2000. Class AAA Shares are no-load shares available directly through selected broker/dealers. Class A and C Shares are offered to 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.

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Portfolio Management Team Biographies

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

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

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Shareholder Commentary
December 31, 2019