

GABELLI DIVIDEND & INCOME TRUST  
Form N-CSRS  
September 03, 2009

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM N-CSR  
CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT  
INVESTMENT COMPANIES**

**Investment Company Act file number 811-21423**

**The Gabelli Dividend & Income Trust**

(Exact name of registrant as specified in charter)

One Corporate Center

Rye, New York 10580-1422

(Address of principal executive offices) (Zip code)

Bruce N. Alpert

Gabelli Funds, LLC

One Corporate Center

Rye, New York 10580-1422

(Name and address of agent for service)

registrant's telephone number, including area code: 1-800-422-3554

Date of fiscal year end: December 31

Date of reporting period: June 30, 2009

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget (OMB) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

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**Item 1. Reports to Stockholders.**

The Report to Shareholders is attached herewith.

**The Gabelli Dividend & Income Trust**

Semi-Annual Report

June 30, 2009

**To Our Shareholders,**

The Gabelli Dividend & Income Trust's (the Fund) net asset value (NAV) total return was 2.3% during the first half of 2009, compared with an increase of 3.2% for the Standard & Poor's (S&P) 500 Index and a decline of 1.9% for the Dow Jones Industrial Average. The total return for the Fund's publicly traded shares was 4.8% during the first half of the year. On June 30, 2009, the Fund's NAV was \$12.26, while the price of the publicly traded shares closed at \$10.08 on the New York Stock Exchange.

Enclosed are the financial statements and the investment portfolio as of June 30, 2009.

**Comparative Results****Average Annual Returns through June 30, 2009 (a)**

	Quarter	Year to Date	1 Year	3 Year	5 Year	Since Inception (11/28/03)
<b>Gabelli Dividend &amp; Income Trust</b>						
<b>NAV Total Return (b)</b>	<b>25.75%</b>	<b>2.31%</b>	<b>(34.41)%</b>	<b>(10.80)%</b>	<b>(1.57)%</b>	<b>(0.94)%</b>
<b>Investment Total Return (c)</b>	<b>24.45</b>	<b>4.79</b>	<b>(35.42)</b>	<b>(10.42)</b>	<b>(2.64)</b>	<b>(4.21)</b>
S&P 500 Index	15.92	3.19	(26.20)	(8.22)	(2.24)	(0.51)
Dow Jones Industrial Average	11.96	(1.93)	(22.96)	(6.34)	(1.65)	(0.11)
Nasdaq Composite Index	20.05	16.36	(19.97)	(5.47)	(2.17)	(1.17)

(a) **Returns**  
*represent past performance and do not guarantee future results. Investment returns and the principal value of an investment will fluctuate. When shares are sold, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data*

*presented. Visit  
www.gabelli.com  
for performance  
information as of  
the most recent  
month end.*

*Performance  
returns for  
periods of less  
than one year are  
not annualized.*

***Investors should  
carefully  
consider the  
investment  
objectives, risks,  
charges, and  
expenses of the  
Fund before  
investing. The***

*Dow Jones  
Industrial  
Average is an  
unmanaged index  
of 30 large  
capitalization  
stocks. The S&P  
500 and the  
Nasdaq  
Composite  
Indices are  
unmanaged  
indicators of  
stock market  
performance.*

*Dividends are  
considered  
reinvested except  
for the Nasdaq  
Composite Index.  
You cannot invest  
directly in an  
index.*

- (b) *Total returns and  
average annual  
returns reflect  
changes in the  
NAV per share  
and reinvestment  
of distributions at*

*NAV on the ex-dividend date and are net of expenses. Since inception return is based on an initial NAV of \$19.06.*

- (c) *Total returns and average annual returns reflect changes in closing market values on the New York Stock Exchange and reinvestment of distributions. Since inception return is based on an initial offering price of \$20.00.*

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/funds](http://www.gabelli.com/funds).

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**THE GABELLI DIVIDEND & INCOME TRUST**  
**Summary of Portfolio Holdings (Unaudited)**

The following table presents portfolio holdings as a percent of total investments as of June 30, 2009:

Financial Services	13.4%
Energy and Utilities: Oil	11.6%
Energy and Utilities: Integrated	10.7%
Food and Beverage	10.5%
Telecommunications	6.9%
Energy and Utilities: Electric	5.5%
U.S. Government Obligations	4.3%
Energy and Utilities: Natural Gas	4.0%
Health Care	3.7%
Energy and Utilities: Services	3.6%
Consumer Products	3.3%
Diversified Industrial	3.2%
Retail	2.7%
Cable and Satellite	2.6%
Aerospace	1.5%
Electronics	1.4%
Equipment and Supplies	1.2%
Energy and Utilities: Water	0.9%
Automotive: Parts and Accessories	0.9%
Metals and Mining	0.9%
Specialty Chemicals	0.9%
Entertainment	0.9%
Business Services	0.8%
Environmental Services	0.7%
Computer Software and Services	0.7%
Transportation	0.5%
Paper and Forest Products	0.4%
Machinery	0.4%
Publishing	0.3%
Wireless Communications	0.3%
Energy and Utilities	0.3%
Broadcasting	0.3%
Hotels and Gaming	0.3%
Agriculture	0.2%
Automotive	0.1%
Communications Equipment	0.1%
Real Estate	0.0%
Computer Hardware	0.0%
Manufactured Housing and Recreational Vehicles	0.0%
Building and Construction	0.0%
	100.0%

*The Fund files a complete schedule of portfolio holdings with the Securities and Exchange Commission (the SEC ) for the first and third quarters of each fiscal year on Form N-Q, the last of which was filed for the quarter*

*ended March 31, 2009. Shareholders may obtain this information at [www.gabelli.com](http://www.gabelli.com) or by calling the Fund at 800-GABELLI (800-422-3554). The Fund's Form N-Q is available on the SEC's website at [www.sec.gov](http://www.sec.gov) and may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.*

**Proxy Voting**

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

**Shareholder Meeting May 18, 2009 Final Results**

The Fund's Annual Meeting of Shareholders was held on May 18, 2009 at the Greenwich Library in Greenwich, Connecticut. At that meeting, common and preferred shareholders, voting together as a single class, elected Salvatore M. Salibello and Edward T. Tokar as Trustees of the Fund. A total of 76,064,209 votes and 76,098,114 votes were cast in favor of each Trustee and a total of 5,903,192 votes and 5,869,286 votes were withheld for each Trustee, respectively. In addition, preferred shareholders, voting as a separate class, elected James P. Conn as a Trustee of the Fund. A total of 5,047,891 votes were cast in favor of this Trustee and 120,767 votes were withheld for this Trustee.

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

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

**THE GABELLI DIVIDEND & INCOME TRUST**  
**SCHEDULE OF INVESTMENTS**  
**June 30, 2009 (Unaudited)**

Shares		Cost	Market Value
	<b>COMMON STOCKS 94.2%</b>		
	<b>Aerospace 1.5%</b>		
10,000	Goodrich Corp.	\$ 281,823	\$ 499,700
55,000	Kaman Corp.	1,006,361	918,500
165,000	Rockwell Automation Inc.	8,244,940	5,299,800
2,000,000	Rolls-Royce Group plc	14,847,048	11,894,774
171,600,000	Rolls-Royce Group plc, Cl. C	249,455	282,316
63,000	The Boeing Co.	3,998,779	2,677,500
		28,628,406	21,572,590
	<b>Agriculture 0.2%</b>		
130,000	Archer-Daniels-Midland Co.	3,723,763	3,480,100
	<b>Automotive 0.1%</b>		
4,000	Copart Inc.	113,367	138,680
20,000	Navistar International Corp.	458,857	872,000
		572,224	1,010,680
	<b>Automotive: Parts and Accessories 0.9%</b>		
386,000	Genuine Parts Co.	13,063,243	12,954,160
	<b>Building and Construction 0.0%</b>		
16,000	Layne Christensen Co.	467,049	327,200
	<b>Business Services 0.8%</b>		
195,000	Diebold Inc.	6,966,664	5,140,200
125,000	Intermec Inc.	2,469,514	1,612,500
40,000	Lender Processing Services Inc.	1,342,861	1,110,800
20,000	MasterCard Inc., Cl. A	3,089,996	3,346,200
27,000	PHH Corp.	561,138	490,860
250,000	Trans-Lux Corp. (a)	1,783,219	212,500
		16,213,392	11,913,060
	<b>Cable and Satellite 2.6%</b>		
650,000	Cablevision Systems Corp., Cl. A	18,450,643	12,616,500
16,000	Cogeco Inc.	316,415	293,135
250,000	DISH Network Corp., Cl. A	5,680,252	4,052,500
46,000	EchoStar Corp., Cl. A	1,228,777	733,240
81,734	Liberty Global Inc., Cl. A	1,686,985	1,298,753
34,318	Liberty Global Inc., Cl. C	760,276	542,567

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180,000	Rogers Communications Inc., Cl. B	2,310,816	4,635,000
520,000	The DIRECTV Group Inc.	12,359,144	12,849,200
30,000	Time Warner Cable Inc.	1,326,056	950,100
30,000	Zon Multimedia Servicos de Telecomunicacoes e Multimedia SGPS SA	294,900	159,631
7,042	Zon Multimedia Servicos de Telecomunicacoes e Multimedia SGPS SA, ADR	101,053	36,830
		44,515,317	38,167,456
	<b>Communications Equipment 0.1%</b>		
30,000	Thomas & Betts Corp.	790,717	865,800
	<b>Computer Hardware 0.0%</b>		
6,000	Data Domain Inc.	186,287	200,100
30,000	SanDisk Corp.	287,056	440,700
		473,343	640,800
	<b>Computer Software and Services 0.7%</b>		
2,000	i2 Technologies Inc.	23,260	25,100
155,000	Metavante Technologies Inc.	3,646,621	4,008,300
30,000	Microsoft Corp.	690,217	713,100
400,000	Sun Microsystems Inc.	3,682,656	3,688,000
100,000	Yahoo! Inc.	2,796,559	1,566,000
		10,839,313	10,000,500
	<b>Consumer Products 3.3%</b>		
191,000	Alberto-Culver Co.	6,375,101	4,857,130
25,000	Altria Group Inc.	433,289	409,750
70,000	Avon Products Inc.	1,852,512	1,804,600
460,000	Eastman Kodak Co.	4,494,687	1,361,600
88,000	Fortune Brands Inc.	3,824,035	3,057,120
45,000	Hanesbrands Inc.	1,001,900	675,450
90,000	Harman International Industries Inc.	4,313,101	1,692,000
3,000	Heelys Inc.	12,557	5,970
170,000	Kimberly-Clark Corp.	11,362,350	8,913,100
40,000	Mattel Inc.	673,228	642,000
25,000	Philip Morris International Inc.	1,011,008	1,090,500
1,020,000	Swedish Match AB	12,706,962	16,560,051
160,000	The Procter & Gamble Co.	8,942,017	8,176,000
		57,002,747	49,245,271
	<b>Diversified Industrial 3.2%</b>		
135,000	Bouygues SA	4,707,015	5,075,544
208,000	Cooper Industries Ltd., Cl. A	6,808,802	6,458,400
600,000	General Electric Co.	17,687,754	7,032,000



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280,000	Honeywell International Inc.	9,789,754	8,792,000
	See accompanying notes to financial statements.		

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**THE GABELLI DIVIDEND & INCOME TRUST**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**June 30, 2009 (Unaudited)**

Shares		Cost	Market Value
	<b>COMMON STOCKS (Continued)</b>		
	<b>Diversified Industrial (Continued)</b>		
95,000	ITT Corp.	\$ 4,299,475	\$ 4,227,500
130,000	Owens-Illinois Inc.	4,551,363	3,641,300
3,000	Pentair Inc.	84,817	76,860
300,000	Textron Inc.	2,689,261	2,898,000
950,000	Tomkins plc	4,601,533	2,313,147
230,000	Tyco International Ltd.	10,307,915	5,975,400
220,000	WHX Corp.	3,892,882	572,000
		69,420,571	47,062,151
	<b>Electronics 1.4%</b>		
1,000,000	Intel Corp.	20,787,583	16,550,000
190,000	Tyco Electronics Ltd.	6,925,279	3,532,100
		27,712,862	20,082,100
	<b>Energy and Utilities: Electric 5.5%</b>		
30,000	Allegheny Energy Inc.	438,040	769,500
85,000	ALLETE Inc.	2,788,153	2,443,750
250,000	American Electric Power Co. Inc.	7,904,906	7,222,500
720	Brookfield Infrastructure Partners LP	15,120	8,878
15,000	CMS Energy Corp.	202,200	181,200
410,000	DPL Inc.	8,260,319	9,499,700
20,000	Edison International	977,494	629,200
270,000	Electric Power Development Co. Ltd.	6,584,683	7,679,452
220,000	FPL Group Inc.	7,596,481	12,509,200
780,000	Great Plains Energy Inc.	22,374,056	12,129,000
370,000	Integrys Energy Group Inc.	17,973,625	11,096,300
120,000	Pepco Holdings Inc.	2,291,425	1,612,800
230,000	Pinnacle West Capital Corp.	8,967,575	6,934,500
100,000	The Southern Co.	2,893,572	3,116,000
225,000	Unisource Energy Corp.	5,702,134	5,971,500
		94,969,783	81,803,480
	<b>Energy and Utilities: Integrated 10.7%</b>		
12,000	Alliant Energy Corp.	305,115	313,560
140,000	Ameren Corp.	6,365,276	3,484,600
50,000	Avista Corp.	926,534	890,500
24,000	Black Hills Corp.	701,725	551,760
40,000	CH Energy Group Inc.	1,728,883	1,868,000

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108,000	Chubu Electric Power Co. Inc.	2,458,019	2,500,026
150,000	CONSOL Energy Inc.	6,316,307	5,094,000
200,000	Consolidated Edison Inc.	8,180,222	7,484,000
67,000	Dominion Resources Inc.	2,883,019	2,239,140
200,000	Duke Energy Corp.	2,816,130	2,918,000
430,000	Edison SpA	1,002,090	617,707
650,000	El Paso Corp.	8,134,739	5,999,500
110,000	Endesa SA	4,645,712	2,632,605
456,000	Enel SpA	2,859,548	2,219,772
22,000	Exelon Corp.	1,717,261	1,126,620
162,000	FirstEnergy Corp.	5,730,248	6,277,500
138,000	Hawaiian Electric Industries Inc.	3,295,192	2,630,280
250,000	Hera SpA	552,073	607,789
121,500	Hokkaido Electric Power Co. Inc.	2,282,208	2,279,032
121,500	Hokuriku Electric Power Co.	2,131,359	2,780,999
10,000	Iberdrola SA	156,751	81,085
102,000	Iberdrola SA, ADR	5,060,553	3,215,040
85,000	Korea Electric Power Corp., ADR	1,253,867	977,500
121,500	Kyushu Electric Power Co. Inc.	2,374,466	2,617,039
22,000	Maine & Maritimes Corp.	626,971	764,500
80,000	MGE Energy Inc.	2,605,047	2,684,000
35,102	National Grid plc, ADR	1,588,562	1,587,663
255,000	NiSource Inc.	5,329,542	2,973,300
570,000	NSTAR	13,564,615	18,302,700
440,000	OGE Energy Corp.	10,589,559	12,460,800
30,000	Ormat Technologies Inc.	484,088	1,209,300
320,000	Progress Energy Inc.	14,361,775	12,105,600
300,000	Public Service Enterprise Group Inc.	9,183,315	9,789,000
121,500	Shikoku Electric Power Co. Inc.	2,264,565	3,632,325
15,000	TECO Energy Inc.	255,758	178,950
121,500	The Chugoku Electric Power Co. Inc.	2,194,052	2,541,366
48,000	The Empire District Electric Co.	1,044,790	792,960
121,500	The Kansai Electric Power Co. Inc.	2,333,021	2,686,407
108,000	The Tokyo Electric Power Co. Inc.	2,545,172	2,780,298
121,500	Tohoku Electric Power Co. Inc.	2,112,763	2,541,366
205,000	Vectren Corp.	5,572,873	4,803,150
470,000	Westar Energy Inc.	9,309,271	8,821,900
85,000	Wisconsin Energy Corp.	2,690,561	3,460,350
180,000	Xcel Energy Inc.	3,032,799	3,313,800
		165,566,396	158,835,789

See accompanying notes to financial statements.

**THE GABELLI DIVIDEND & INCOME TRUST**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**June 30, 2009 (Unaudited)**

Shares		Cost	Market Value
	<b>COMMON STOCKS (Continued)</b>		
	<b>Energy and Utilities: Natural Gas 4.0%</b>		
8,000	AGL Resources Inc.	\$ 217,299	\$ 254,400
50,000	Atmos Energy Corp.	1,251,665	1,252,000
22,000	Delta Natural Gas Co. Inc.	554,413	495,440
6,000	Energen Corp.	124,550	239,400
4,767	GDF Suez	156,718	177,484
160,356	GDF Suez, Strips	0	225
20,000	Kinder Morgan Energy Partners LP	824,553	1,022,400
350,000	National Fuel Gas Co.	9,372,113	12,628,000
210,000	Nicor Inc.	7,147,795	7,270,200
240,000	ONEOK Inc.	6,038,542	7,077,600
190,000	Sempra Energy	5,675,668	9,429,700
35,000	South Jersey Industries Inc.	839,202	1,221,150
140,000	Southern Union Co.	2,884,173	2,574,600
190,000	Southwest Gas Corp.	4,719,351	4,219,900
620,000	Spectra Energy Corp.	13,685,181	10,490,400
45,000	The Laclede Group Inc.	1,276,448	1,490,850
		54,767,671	59,843,749
	<b>Energy and Utilities: Oil 11.6%</b>		
10,000	Addax Petroleum Corp.	432,646	424,107
42,000	Anadarko Petroleum Corp.	1,870,013	1,906,380
39,000	Apache Corp.	1,861,319	2,813,850
45,000	BG Group plc, ADR	1,819,092	3,795,750
160,000	BP plc, ADR	7,479,063	7,628,800
80,000	Chesapeake Energy Corp.	1,432,512	1,586,400
242,000	Chevron Corp.	14,467,590	16,032,500
1,000	Cimarex Energy Co.	28,300	28,340
330,000	ConocoPhillips	17,735,510	13,879,800
78,000	Devon Energy Corp.	3,448,499	4,251,000
170,000	Eni SpA, ADR	6,249,080	8,059,700
210,000	Exxon Mobil Corp.	9,845,136	14,681,100
30,000	Hess Corp.	830,468	1,612,500
475,000	Marathon Oil Corp.	16,752,703	14,311,750
136,000	Murphy Oil Corp.	6,865,210	7,387,520
20,000	NATCO Group Inc., Cl. A	709,900	658,400
1,000	Niko Resources Ltd.	57,456	68,779
290,000	Occidental Petroleum Corp.	10,884,411	19,084,900
20,000	PetroChina Co. Ltd., ADR	1,480,813	2,209,600
98,000	Petroleo Brasileiro SA, ADR	4,072,585	4,016,040
270,000	Repsol YPF SA, ADR	5,719,267	6,037,200

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200,000	Royal Dutch Shell plc, Cl. A, ADR	9,567,840	10,038,000
845,000	StatoilHydro ASA, ADR	12,183,860	16,705,650
180,000	Sunoco Inc.	9,558,099	4,176,000
190,000	Total SA, ADR	8,319,782	10,303,700
		153,671,154	171,697,766
	<b>Energy and Utilities: Services 3.6%</b>		
220,000	ABB Ltd., ADR	2,399,710	3,471,600
20,000	Baker Hughes Inc.	759,763	728,800
80,000	Cameron International Corp.	1,103,787	2,264,000
110,000	Diamond Offshore Drilling Inc.	6,139,336	9,135,500
10,000	Exterran Holdings Inc.	353,410	160,400
620,000	Halliburton Co.	16,900,706	12,834,000
5,000	Nabors Industries Ltd.	110,564	77,900
10,000	Noble Corp.	254,820	302,500
38,000	Oceaneering International Inc.	1,614,498	1,717,600
215,000	Rowan Companies Inc.	7,713,571	4,153,800
120,000	Schlumberger Ltd.	3,977,835	6,493,200
46,000	Transocean Ltd.	3,995,781	3,417,340
440,000	Weatherford International Ltd.	9,444,432	8,606,400
		54,768,213	53,363,040
	<b>Energy and Utilities: Water 0.9%</b>		
11,000	American States Water Co.	273,608	381,040
390,800	American Water Works Co. Inc.	8,186,300	7,468,188
63,333	Aqua America Inc.	1,056,640	1,133,661
6,000	Artesian Resources Corp., Cl. A	113,635	95,580
3,000	California Water Service Group	94,710	110,520
11,500	Connecticut Water Service Inc.	276,036	249,435
2,000	Consolidated Water Co. Ltd.	38,961	31,700
6,000	Middlesex Water Co.	111,082	86,700
60,000	Pennichuck Corp.	1,362,461	1,368,000
82,000	SJW Corp.	1,384,964	1,861,400
16,800	Southwest Water Co.	192,169	92,736
27,818	United Utilities Group plc, ADR	733,071	457,606
9,000	York Water Co.	115,031	137,970
		13,938,668	13,474,536
	<b>Entertainment 0.9%</b>		
8,000	Grupo Televisa SA, ADR	79,516	136,000
350,000	Take-Two Interactive Software Inc.	8,779,638	3,314,500
200,000	Time Warner Inc.	6,868,353	5,038,000
200,000	Vivendi	6,233,051	4,779,541
		21,960,558	13,268,041

See accompanying notes to financial statements.



**THE GABELLI DIVIDEND & INCOME TRUST**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**June 30, 2009 (Unaudited)**

Shares		Cost	Market Value
	<b>COMMON STOCKS (Continued)</b>		
	<b>Environmental Services 0.7%</b>		
1,000	Hyflux Ltd.	\$ 1,686	\$ 1,519
1,250	Suez Environnement SA	0	21,823
12,375	Veolia Environnement	395,937	364,394
360,000	Waste Management Inc.	13,073,506	10,137,600
		13,471,129	10,525,336
	<b>Equipment and Supplies 1.2%</b>		
95,000	CIRCOR International Inc.	1,731,985	2,242,950
30,000	Lufkin Industries Inc.	513,283	1,261,500
60,000	Mueller Industries Inc.	2,463,788	1,248,000
420,000	RPC Inc.	1,866,263	3,507,000
242,000	Tenaris SA, ADR	11,303,600	6,543,680
580,000	Xerox Corp.	7,294,261	3,758,400
		25,173,180	18,561,530
	<b>Financial Services 13.2%</b>		
170,000	Aflac Inc.	9,031,497	5,285,300
310,000	AllianceBernstein Holding LP	13,421,632	6,227,900
460,000	American Express Co.	19,947,210	10,690,400
80,000	Astoria Financial Corp.	2,005,945	686,400
640,000	Bank of America Corp.	10,724,817	8,448,000
27,000	BlackRock Inc.	2,477,132	4,736,340
132,000	Capital One Financial Corp.	6,416,680	2,888,160
20,000	CME Group Inc.	7,106,246	6,222,200
104,000	Deutsche Bank AG	9,559,262	6,344,000
595,000	Discover Financial Services	11,324,000	6,110,650
78,909	Fidelity National Financial Inc., Cl. A	1,529,570	1,067,639
86,496	Fidelity National Information Services Inc.	1,785,246	1,726,460
70,000	Flushing Financial Corp.	1,253,654	654,500
155,000	HSBC Holdings plc, ADR	12,608,549	6,474,350
90,000	Hudson City Bancorp Inc.	1,409,172	1,196,100
125,000	Invesco Ltd.	3,131,339	2,227,500
500,000	JPMorgan Chase & Co.	17,288,740	17,055,000
275,000	Legg Mason Inc.	9,543,319	6,704,500
40,000	M&T Bank Corp.	2,557,647	2,037,200
90,000	Marshall & Ilsley Corp.	2,719,493	432,000
173,000	Moody's Corp.	6,357,613	4,558,550
100,000	National Australia Bank Ltd., ADR	2,388,166	1,788,000
300,000	New York Community Bancorp Inc.	5,422,652	3,207,000

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270,000	NewAlliance Bancshares Inc.	3,899,679	3,105,000
225,000	PNC Financial Services Group Inc.	12,039,994	8,732,250
300,000	SLM Corp.	7,490,322	3,081,000
190,000	State Street Corp.	9,771,809	8,968,000
95,050	Sterling Bancorp	1,542,455	793,668
132,000	T. Rowe Price Group Inc.	4,630,423	5,500,440
105,000	The Allstate Corp.	5,231,929	2,562,000
450,000	The Bank of New York Mellon Corp.	15,240,034	13,189,500
60,000	The Blackstone Group LP	1,122,254	632,400
290,000	The Travelers Companies Inc.	10,913,064	11,901,600
76,148	Valley National Bancorp	1,512,493	890,932
430,000	Waddell & Reed Financial Inc., Cl. A	8,989,791	11,339,100
65,000	Webster Financial Corp.	1,409,871	523,250
600,000	Wells Fargo & Co.	19,463,424	14,556,000
19,260	Willis Group Holdings Ltd.	556,229	495,560
182,000	Wilmington Trust Corp.	5,858,979	2,486,120
		269,682,331	195,524,969
	<b>Food and Beverage 10.5%</b>		
250,000	Cadbury plc, ADR	12,321,361	8,600,000
80,000	Campbell Soup Co.	2,470,209	2,353,600
200,000	China Mengniu Dairy Co. Ltd.	498,054	466,062
220,000	ConAgra Foods Inc.	5,351,317	4,193,200
115,000	Constellation Brands Inc., Cl. A	1,489,621	1,458,200
334,782	Danone	17,021,588	16,522,356
970,000	Davide Campari Milano SpA	9,772,932	7,763,211
300,000	Dr. Pepper Snapple Group Inc.	7,153,214	6,357,000
300,000	General Mills Inc.	14,679,608	16,806,000
90,000	H.J. Heinz Co.	3,150,879	3,213,000
210,000	ITO EN Ltd.	4,917,151	2,988,633
40,000	ITO EN Ltd., Preference	876,682	346,291
1,000	Kellogg Co.	35,550	46,570
240,000	Kikkoman Corp.	3,116,054	2,414,076
400,000	Kraft Foods Inc., Cl. A	12,241,858	10,136,000
150,000	Morinaga Milk Industry Co. Ltd.	588,860	576,115
200,000	NISSIN FOODS HOLDINGS CO. LTD.	6,829,272	6,062,179
500,000	Parmalat SpA	1,885,518	1,205,757
339,450	Parmalat SpA, GDR (b)(c)	981,615	818,448
300,000	PepsiAmericas Inc.	6,210,349	8,043,000
76,000	Pernod-Ricard SA	7,005,559	4,783,918

See accompanying notes to financial statements.



**THE GABELLI DIVIDEND & INCOME TRUST**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**June 30, 2009 (Unaudited)**

Shares		Cost	Market Value
	<b>COMMON STOCKS (Continued)</b>		
	<b>Food and Beverage (Continued)</b>		
19,000	Remy Cointreau SA	\$ 919,900	\$ 687,681
1,360,000	Sara Lee Corp.	21,416,369	13,273,600
300,000	The Coca-Cola Co.	13,301,591	14,397,000
399,000	The Hershey Co.	17,708,452	14,364,000
450,000	YAKULT HONSHA Co. Ltd.	12,093,514	8,604,349
		184,037,077	156,480,246
	<b>Health Care 3.7%</b>		
10,000	Abbott Laboratories	430,395	470,400
249,000	Boston Scientific Corp.	3,122,887	2,524,860
115,000	Bristol-Myers Squibb Co.	2,789,992	2,335,650
7,100	Cougar Biotechnology Inc.	304,237	305,016
45,000	Covidien plc	1,938,969	1,684,800
140,000	Eli Lilly & Co.	7,685,765	4,849,600
6,000	Fresenius Kabi Pharmaceuticals Holding Inc., CVR	0	1,620
100,000	IMS Health Inc.	2,416,169	1,270,000
50,000	Johnson & Johnson	3,244,276	2,840,000
10,000	Mead Johnson Nutrition Co., Cl. A	240,000	317,700
170,000	Merck & Co. Inc.	6,064,188	4,753,200
90,000	Owens & Minor Inc.	2,809,970	3,943,800
350,000	Pfizer Inc.	8,682,674	5,250,000
26,000	Schiff Nutrition International Inc.	145,435	132,340
30,000	St. Jude Medical Inc.	1,195,056	1,233,000
440,000	Wyeth	19,078,567	19,971,600
80,000	Zimmer Holdings Inc.	5,101,084	3,408,000
		65,249,664	55,291,586
	<b>Hotels and Gaming 0.3%</b>		
100,000	Boyd Gaming Corp.	1,230,174	850,000
650,000	Ladbrokes plc	8,579,483	1,967,656
60,000	Las Vegas Sands Corp.	350,218	471,600
70,000	Pinnacle Entertainment Inc.	439,450	650,300
		10,599,325	3,939,556
	<b>Machinery 0.4%</b>		
210,000	CNH Global NV	5,096,379	2,948,400
70,000	Deere & Co.	3,746,042	2,796,500

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		8,842,421	5,744,900
	<b>Manufactured Housing and Recreational Vehicles 0.0%</b>		
17,000	Skyline Corp.	481,446	369,750
	<b>Metals and Mining 0.9%</b>		
17,000	Agnico-Eagle Mines Ltd.	824,000	892,160
330,000	Alcoa Inc.	8,346,962	3,408,900
10,000	Alliance Holdings GP LP	230,523	191,900
14,000	Arch Coal Inc.	219,114	215,180
8,000	BHP Billiton Ltd., ADR	217,549	437,840
130,000	Freeport-McMoRan Copper & Gold Inc.	4,088,250	6,514,300
10,000	Massey Energy Co.	235,475	195,400
25,000	Peabody Energy Corp.	404,351	754,000
4,800	Rio Tinto plc, ADR	803,121	786,576
3,000	Westmoreland Coal Co.	52,605	24,300
		15,421,950	13,420,556
	<b>Paper and Forest Products 0.4%</b>		
415,000	International Paper Co.	12,809,318	6,278,950
	<b>Publishing 0.3%</b>		
50,000	Idearc Inc.	140,018	1,855
1,657,944	Il Sole 24 Ore	13,852,102	5,047,120
		13,992,120	5,048,975
	<b>Real Estate 0.0%</b>		
18,000	Brookfield Asset Management Inc., Cl. A	186,196	307,260
	<b>Retail 2.4%</b>		
215,000	CVS Caremark Corp.	8,024,626	6,852,050
142,000	Ingles Markets Inc., Cl. A	1,615,209	2,164,080
50,000	Macy's Inc.	533,778	588,000
410,000	Safeway Inc.	8,674,488	8,351,700
10,000	Saks Inc.	95,307	44,300
300,000	Sally Beauty Holdings Inc.	3,712,676	1,908,000
85,000	SUPERVALU Inc.	2,526,712	1,100,750
170,000	The Great Atlantic & Pacific Tea Co. Inc.	3,338,788	722,500
35,000	Wal-Mart Stores Inc.	1,729,286	1,695,400
385,000	Walgreen Co.	14,838,915	11,319,000
75,000	Whole Foods Market Inc.	2,367,352	1,423,500
		47,457,137	36,169,280
	<b>Specialty Chemicals 0.9%</b>		
5,000	Arkema, ADR	269,656	117,121
108,000	Ashland Inc.	4,170,520	3,029,400
170,000	E. I. du Pont de Nemours and Co.	7,402,747	4,355,400
434,900	Ferro Corp.	5,077,459	1,195,975

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15,000	NOVA Chemicals Corp.	84,425	88,950
100,000	Olin Corp.	1,826,861	1,189,000
210,000	The Dow Chemical Co.	8,366,586	3,389,400
		27,198,254	13,365,246

See accompanying notes to financial statements.

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**THE GABELLI DIVIDEND & INCOME TRUST**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**June 30, 2009 (Unaudited)**

Shares/ Units		Cost	Market Value
<b>COMMON STOCKS (Continued)</b>			
<b>Telecommunications 6.5%</b>			
585,000	AT&T Inc.	\$ 16,008,654	\$ 14,531,400
270,000	BCE Inc.	6,582,497	5,578,200
30,000	Belgacom SA	920,936	956,820
45,000	Bell Aliant Regional Communications Income Fund (b)(d)	1,219,425	1,019,430
71,000	BT Group plc, ADR	2,221,635	1,192,800
30,000	CenturyTel Inc.	1,018,424	921,000
680,000	Deutsche Telekom AG, ADR	12,467,872	8,024,000
400	FiberNet Telecom Group Inc.	4,476	4,968
55,000	France Telecom SA, ADR	1,338,443	1,254,550
31,700	Hellenic Telecommunications Organization SA	699,575	484,730
219,800	Hellenic Telecommunications Organization SA, ADR	1,748,090	1,681,470
215,000	Portugal Telecom SGPS SA	2,574,406	2,102,556
200,000	Qwest Communications International Inc.	1,179,351	830,000
1,535,000	Sprint Nextel Corp.	16,650,018	7,383,350
20,000	Telecom Corp. of New Zealand Ltd., ADR	312,271	174,200
120,000	Telecom Italia SpA, ADR	3,383,880	1,651,200
15,000	Telefonica SA, ADR	640,361	1,018,350
190,000	Telefonos de Mexico SAB de CV, Cl. L, ADR	1,842,822	3,079,900
30,000	Telekom Austria AG	464,736	468,835
38,000	Telephone & Data Systems Inc.	1,230,970	1,075,400
100,000	Telephone & Data Systems Inc., Special	3,548,843	2,596,000
196,000	Telmex Internacional SAB de CV, ADR	1,322,945	2,479,400
130,000	Telstra Corp. Ltd., ADR	2,392,135	1,768,000
76,100	TELUS Corp., Non-Voting	1,574,712	1,963,380
1,000,000	Verizon Communications Inc.	36,248,381	30,730,000
165,000	Vodafone Group plc, ADR	4,647,777	3,215,850
		122,243,635	96,185,789
<b>Transportation 0.5%</b>			
3,000	Frontline Ltd.	105,687	73,080
250,000	GATX Corp.	7,479,104	6,430,000
24,000	Golden Ocean Group Ltd.	14,400	23,477
27,000	Kansas City Southern	453,321	434,970
3,000	Ship Finance International Ltd.	66,356	33,090
22,000	Teekay Corp.	794,715	462,660
		8,913,583	7,457,277
<b>Wireless Communications 0.3%</b>			
5,000	Crown Castle International Corp.	80,650	120,100

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111,030	United States Cellular Corp.	5,129,256	4,269,103
40,000	Vimpel-Communications, ADR	230,241	470,800
		5,440,147	4,860,003
	<b>TOTAL COMMON STOCKS</b>	<b>1,664,264,303</b>	<b>1,399,139,478</b>
	<b>CONVERTIBLE PREFERRED STOCKS 0.9%</b>		
	<b>Agriculture 0.0%</b>		
9,000	Archer-Daniels-Midland Co., 6.250% Cv. Pfd.	339,542	328,410
	<b>Broadcasting 0.0%</b>		
18,000	Emmis Communications Corp., 6.250% Cv. Pfd., Ser. A	697,002	25,020
	<b>Building and Construction 0.0%</b>		
200	Fleetwood Capital Trust, 6.000% Cv. Pfd.	6,210	78
	<b>Diversified Industrial 0.0%</b>		
14,000	Smurfit-Stone Container Corp., 7.000% Cv. Pfd., Ser. A	329,100	7,000
	<b>Energy and Utilities 0.3%</b>		
5,000	Chesapeake Energy Corp., 5.000% Cv. Pfd. (b)	512,500	331,875
129,000	El Paso Energy Capital Trust I, 4.750% Cv. Pfd.	4,649,004	4,050,600
		5,161,504	4,382,475
	<b>Financial Services 0.2%</b>		
1,500	Doral Financial Corp., 4.750% Cv. Pfd.	207,335	105,000
95,000	Newell Financial Trust I, 5.250% Cv. Pfd.	4,472,813	2,535,312
		4,680,148	2,640,312
	<b>Health Care 0.0%</b>		
4,000	Omnicare Capital Trust II, 4.000% Cv. Pfd., Ser. B	196,528	141,840

See accompanying notes to financial statements.

**THE GABELLI DIVIDEND & INCOME TRUST**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**June 30, 2009 (Unaudited)**

Shares		Cost	Market Value
	<b>CONVERTIBLE PREFERRED STOCKS (Continued)</b>		
	<b>Telecommunications 0.4%</b>		
55,000	Cincinnati Bell Inc., 6.750% Cv. Pfd., Ser. B	\$ 2,254,718	\$ 1,595,000
105,000	Crown Castle International Corp., 6.250% Cv. Pfd.	4,853,125	4,971,750
		7,107,843	6,566,750
	<b>Transportation 0.0%</b>		
1,500	GATX Corp., \$2.50 Cv. Pfd.	199,475	293,423
	<b>TOTAL CONVERTIBLE PREFERRED STOCKS</b>	<b>18,717,352</b>	<b>14,385,308</b>
	<b>WARRANTS 0.0%</b>		
	<b>Food and Beverage 0.0%</b>		
650	Parmalat SpA, GDR, expire 12/31/15 (b)(c)(d)	0	414
	<b>CONVERTIBLE CORPORATE BONDS 0.6%</b>		
	<b>Automotive: Parts and Accessories 0.0%</b>		
\$ 500,000	Standard Motor Products Inc., Sub. Deb. Cv., 15.000%, 04/15/11	477,370	495,000
	<b>Broadcasting 0.3%</b>		
10,000,000	Sinclair Broadcast Group Inc., Sub. Deb. Cv., 6.000%, 09/15/12	8,837,125	4,200,000
	<b>Real Estate 0.0%</b>		
1,100,000	Palm Harbor Homes Inc., Cv., 3.250%, 05/15/24	1,062,587	385,000
	<b>Retail 0.3%</b>		
5,300,000	The Great Atlantic & Pacific Tea Co. Inc., Cv., 5.125%, 06/15/11	5,241,017	3,895,500
	<b>TOTAL CONVERTIBLE CORPORATE BONDS</b>	<b>15,618,099</b>	<b>8,975,500</b>
	<b>U.S. GOVERNMENT OBLIGATIONS 4.3%</b>		
\$ 63,225,000	U.S. Treasury Bills, 0.086% to 0.396% , 07/02/09 to 12/24/09	63,195,443	63,199,520
<b>TOTAL INVESTMENTS 100.0%</b>		<b>\$ 1,761,795,197</b>	<b>1,485,700,220</b>

<b>Other Assets and Liabilities (Net)</b>	(2,635,543)
<b>PREFERRED STOCK</b>	
(5,603,095 preferred shares outstanding)	(459,257,875)
<b>NET ASSETS COMMON SHARES</b>	
(83,483,637 common shares outstanding)	\$ 1,023,806,802
<b>NET ASSET VALUE PER COMMON SHARE</b>	
(\$1,023,806,802 ÷ 83,483,637 shares outstanding)	\$ 12.26

(a) Security considered an affiliated holding because the Fund owns at least 5% of its outstanding shares.

(b) Security exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At June 30, 2009, the market value of Rule 144A securities amounted to \$2,170,167 or 0.15% of total investments. Except as noted in (c), these securities are liquid.

- (c) At June 30, 2009, the Fund held investments in restricted and illiquid securities amounting to \$818,862 or 0.06% of total investments, which were valued under methods approved by the Board of Trustees as follows:

<b>Acquisition Shares</b>	<b>Issuer</b>	<b>Acquisition Date</b>	<b>Acquisition Cost</b>	<b>06/30/09 Carrying Value Per Unit</b>
339,450	Parmalat SpA, GDR	12/02/03	\$981,615	\$ 2.4111
650	Parmalat SpA, GDR warrants expire 12/31/15	11/09/05		0.6369

- (d) Security fair valued under procedures established by the Board of Trustees. The procedures may include reviewing available financial information about the company and reviewing the valuation of comparable securities and other factors on a regular basis. At June 30, 2009, the market value of fair valued



securities  
amounted to  
\$1,019,844 or  
0.07% of total  
investments.

Non-income  
producing  
security.

Represents  
annualized yield  
at date of  
purchase.

ADR American  
Depositary Receipt

CVR Contingent  
Value Right

GDR Global  
Depositary Receipt

	<b>% of Market Value</b>	<b>Market Value</b>
<b>Geographic Diversification</b>		
North America	78.6%	\$ 1,168,525,438
Europe	15.5	230,225,324
Japan	3.6	53,029,953
Latin America	1.8	26,100,186
Asia/Pacific	0.5	7,819,319
Total Investments	100.0%	\$ 1,485,700,220

See accompanying notes to financial statements.

**THE GABELLI DIVIDEND & INCOME TRUST**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**June 30, 2009 (Unaudited)**

**Assets:**

Investments, at value (cost \$1,760,011,978)	\$ 1,485,487,720
Investments in affiliates, at value (cost \$1,783,219)	212,500
Foreign currency, at value (cost \$284,203)	290,546
Cash	307
Receivable for investments sold	3,658,694
Dividends and interest receivable	3,270,534
Deferred offering expense	73,650
Prepaid expense	28,416
<b>Total Assets</b>	<b>1,493,022,367</b>

**Liabilities:**

Payable for investments purchased	3,917,657
Payable for Fund shares redeemed	203,355
Distributions payable	201,451
Payable for investment advisory fees	853,398
Payable for payroll expenses	47,688
Payable for accounting fees	3,750
Unrealized depreciation on swap contracts	3,272,231
Payable for auction agent fees	1,156,054
Other accrued expenses	302,106
<b>Total Liabilities</b>	<b>9,957,690</b>

**Preferred Shares, all at \$0.001 par value:**

Series A Cumulative Preferred Shares (5.875%, \$25 liquidation value, 3,200,000 shares authorized with 3,048,019 shares issued and outstanding)	76,200,475
Series B Cumulative Preferred Shares (Auction Market, \$25,000 liquidation value, 4,000 shares authorized with 3,600 shares issued and outstanding)	90,000,000
Series C Cumulative Preferred Stock (Auction Market, \$25,000 liquidation value, 4,800 shares authorized with 4,320 shares issued and outstanding)	108,000,000
Series D Cumulative Preferred Shares (6.000%, \$25 liquidation value, 2,600,000 shares authorized with 2,542,296 shares issued and outstanding)	63,557,400
Series E Cumulative Preferred Stock (Auction Rate, \$25,000 liquidation value, 5,400 shares authorized with 4,860 shares issued and outstanding)	121,500,000
<b>Total Preferred Shares</b>	<b>459,257,875</b>

**Net Assets Attributable to Common Shareholders** \$ 1,023,806,802

**Net Assets Attributable to Common Shareholders Consist of:**

Paid-in capital, at \$0.001 par value	\$ 1,415,339,148
Accumulated net investment income	3,752,125
	(115,925,229)

Accumulated net realized loss on investments, swap contracts, and foreign currency transactions	
Net unrealized depreciation on investments	(276,094,977)
Net unrealized depreciation on swap contracts	(3,272,231)
Net unrealized appreciation on foreign currency translations	7,966
<b>Net Assets</b>	<b>\$ 1,023,806,802</b>
<b>Net Asset Value per Common Share</b>	
(\$1,023,806,802 ÷ 83,483,637 shares outstanding; unlimited number of shares authorized)	\$ 12.26

**STATEMENT OF OPERATIONS**  
**For the Period Ended June 30, 2009 (Unaudited)**

<b>Investment Income:</b>	
Dividends (net of foreign taxes of \$1,153,386)	\$ 27,297,793
Interest	958,068
<b>Total Investment Income</b>	<b>28,255,861</b>
<b>Expenses:</b>	
Investment advisory fees	6,931,050
Auction agent expenses	393,264
Shareholder communications expenses	267,996
Custodian fees	112,413
Payroll expenses	109,936
Trustees fees	88,740
Legal and audit fees	50,520
Accounting fees	22,500
Shareholder services fees	21,680
Interest expense	66
Miscellaneous expenses	156,349
<b>Total Expenses</b>	<b>8,154,514</b>
Less:	
Advisory fee reduction	(2,283,157)
Custodian fee credits	(12)
<b>Total Reductions and Credits</b>	<b>(2,283,169)</b>
<b>Net Expenses</b>	<b>5,871,345</b>
<b>Net Investment Income</b>	<b>22,384,516</b>
<b>Net Realized and Unrealized Gain/(Loss) on Investments, Swap Contracts, and Foreign Currency:</b>	
Net realized loss on investments unaffiliated	(69,046,868)
Net realized loss on investment affiliated	(144,920)
Net realized loss on swap contracts	(1,569,448)
Net realized gain on foreign currency transactions	27,912

Net realized loss on investments, swap contracts, and foreign currency transactions	(70,733,324)
Net change in unrealized appreciation/depreciation:	
on investments	72,507,324
on swap contracts	(50,367)
on foreign currency translations	4,847
Net change in unrealized appreciation/depreciation on investments, swap contracts, and foreign currency translations	72,461,804
<b>Net Realized and Unrealized Gain/(Loss) on Investments, Swap Contracts, and Foreign Currency</b>	1,728,480
<b>Net Increase in Net Assets Resulting from Operations</b>	24,112,996
Total Distributions to Preferred Shareholders	(6,837,584)
<b>Net Increase in Net Assets Attributable to Common Shareholders Resulting from Operations</b>	\$ 17,275,412

See accompanying notes to financial statements.

**THE GABELLI DIVIDEND & INCOME TRUST**  
**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO COMMON SHAREHOLDERS**

	<b>Six Months Ended June 30, 2009  (Unaudited)</b>	<b>Year Ended December 31, 2008</b>
<b>Operations:</b>		
Net investment income	\$ 22,384,516	\$ 46,358,715
Net realized loss on investments, swap contracts, and foreign currency transactions	(70,733,324)	(43,160,884)
Net change in unrealized appreciation/depreciation on investments, swap contracts, and foreign currency translations	72,461,804	(786,969,865)
<b>Net Increase/(Decrease) in Net Assets Resulting from Operations</b>	<b>24,112,996</b>	<b>(783,772,034)</b>
<b>Distributions to Preferred Shareholders:</b>		
Net investment income	(6,837,584)*	(22,608,188)
Net realized long-term gain		(45,049)
<b>Total Distributions to Preferred Shareholders</b>	<b>(6,837,584)</b>	<b>(22,653,237)</b>
<b>Net Increase/(Decrease) in Net Assets Attributable to Common Shareholders Resulting from Operations</b>	<b>17,275,412</b>	<b>(806,425,271)</b>
<b>Distributions to Common Shareholders:</b>		
Net investment income	(13,151,660)*	(23,970,465)
Net realized long-term gain		(214,542)
Return of capital	(39,454,981)*	(83,014,490)
<b>Total Distributions to Common Shareholders</b>	<b>(52,606,641)</b>	<b>(107,199,497)</b>
<b>Fund Share Transactions:</b>		
Net decrease from repurchase of common shares	(453,659)	(3,449,357)
Net increase in net assets from repurchase of preferred shares	315,833	519,154
<b>Net Decrease in Net Assets from Fund Share Transactions</b>	<b>(137,826)</b>	<b>(2,930,203)</b>
<b>Net Decrease in Net Assets Attributable to Common Shareholders</b>	<b>(35,469,055)</b>	<b>(916,554,971)</b>
<b>Net Assets Attributable to Common Shareholders:</b>		
Beginning of period	1,059,275,857	1,975,830,828
End of period (including undistributed net investment income of \$3,752,125 and \$1,356,853, respectively)	\$ 1,023,806,802	\$ 1,059,275,857

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

See accompanying notes to financial statements.

**THE GABELLI DIVIDEND & INCOME TRUST**  
**FINANCIAL HIGHLIGHTS**

	<b>Six Months Ended June 30, 2009 (Unaudited)</b>	<b>2008</b>	<b>Year Ended December 31,</b>			<b>2004</b>
			<b>2007</b>	<b>2006</b>	<b>2005</b>	
<b>Selected data for a share of beneficial interest outstanding throughout each period:</b>						
<b>Operating Performance:</b>						
Net asset value, beginning of period	\$ 12.68	\$ 23.57	\$ 23.65	\$ 20.62	\$ 20.12	\$ 19.26
Net investment income	0.27	0.55	0.53	0.87	0.55	0.40
Net realized and unrealized gain/(loss) on investments, swap contracts, and foreign currency transactions	0.02	(9.92)	1.37	4.00	1.33	1.80
Total from investment operations	0.29	(9.37)	1.90	4.87	1.88	2.20
<b>Distributions to Preferred Shareholders: (a)</b>						
Net investment income	(0.08)*	(0.27)	(0.10)	(0.12)	(0.06)	(0.01)
Net realized gain		(0.00)(e)	(0.23)	(0.19)	(0.10)	(0.01)
Total distributions to preferred shareholders	(0.08)	(0.27)	(0.33)	(0.31)	(0.16)	(0.02)
<b>Net Increase/(Decrease) in Net Assets Attributable to Common Shareholders Resulting from Operations</b>	0.21	(9.64)	1.57	4.56	1.72	2.18
<b>Distributions to Common Shareholders:</b>						
Net investment income	(0.16)*	(0.29)	(0.51)			