

GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC
Form N-CSR
March 10, 2008

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 811-05715

The Gabelli Convertible and Income Securities Fund Inc.

(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: December 31, 2007

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. ss. 3507.

ITEM 1. REPORTS TO STOCKHOLDERS.

The Report to Shareholders is attached herewith.

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[LOGO]
 THE GABELLI
 CONVERTIBLE AND
 INCOME SECURITIES
 FUND INC.

THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.

Annual Report
 December 31, 2007

TO OUR SHAREHOLDERS,

The Sarbanes-Oxley Act requires a fund's principal executive and financial officers to certify the entire contents of the semi-annual and annual shareholder reports in a filing with the Securities and Exchange Commission on Form N-CSR. This certification would cover the portfolio manager's commentary and subjective opinions if they are attached to or a part of the financial statements. Many of these comments and opinions would be difficult or impossible to certify.

Because we do not want our portfolio managers to eliminate their opinions and/or restrict their commentary to historical facts, we have separated their commentary from the financial statements and investment portfolio and have sent it to you separately. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at www.gabelli.com.

Enclosed are the audited financial statements and the investment portfolio as of December 31, 2007.

COMPARATIVE RESULTS

 AVERAGE ANNUAL RETURNS THROUGH DECEMBER 31, 2007 (a)

	Quarter	1 Year	3 Year	5 Year	10 Year
	-----	-----	-----	-----	-----
GABELLI CONVERTIBLE AND INCOME SECURITIES FUND					
NAV TOTAL RETURN (b)	(1.85)%	4.69%	8.36%	8.56%	5.83
INVESTMENT TOTAL RETURN (c)	(9.29)	(5.85)	3.06	6.89	6.37
S&P 500 Index	(3.33)	5.49	8.61	12.82	5.91
Lehman Brothers Government/Corporate Bond Index	3.10	7.23	4.44	4.44	6.01
Lipper Convertible Securities Fund Average	(1.82)	7.49	7.02	11.05	6.73

(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 LESS THAN ONE YEAR ARE NOT ANNUALIZED. INVESTORS SHOULD CAREFULLY

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CONSIDER THE INVESTMENT OBJECTIVES, RISKS, CHARGES, AND EXPENSES OF THE FUND BEFORE INVESTING. THE S&P 500 INDEX IS AN UNMANAGED INDICATOR OF STOCK MARKET PERFORMANCE. THE LEHMAN BROTHERS GOVERNMENT/CORPORATE BOND INDEX IS AN UNMANAGED MARKET VALUE WEIGHTED INDEX THAT TRACKS THE TOTAL RETURN PERFORMANCE OF FIXED RATE, PUBLICLY PLACED, DOLLAR DENOMINATED OBLIGATIONS. THE LIPPER CONVERTIBLE SECURITIES FUND AVERAGE REFLECTS THE AVERAGE PERFORMANCE OF OPEN-END MUTUAL FUNDS CLASSIFIED IN THIS PARTICULAR CATEGORY. DIVIDENDS AND INTEREST INCOME ARE CONSIDERED REINVESTED. YOU CANNOT INVEST DIRECTLY IN AN INDEX.

- (b) TOTAL RETURNS AND AVERAGE ANNUAL RETURNS REFLECT CHANGES IN THE NET ASSET VALUE ("NAV") PER SHARE, REINVESTMENT OF DISTRIBUTIONS AT NAV ON THE EX-DIVIDEND DATE, AND ADJUSTMENTS FOR RIGHTS OFFERINGS AND ARE NET OF EXPENSES. SINCE INCEPTION RETURN IS BASED ON AN INITIAL NAV OF \$10.00.
- (c) TOTAL RETURNS AND AVERAGE ANNUAL RETURNS REFLECT CHANGES IN CLOSING MARKET VALUES ON THE NEW YORK STOCK EXCHANGE, REINVESTMENT OF DISTRIBUTIONS, AND ADJUSTMENTS FOR RIGHTS OFFERINGS. SINCE INCEPTION RETURN IS BASED ON AN INITIAL OFFERING PRICE OF \$11.25.
- (d) THE FUND CONVERTED TO CLOSED-END STATUS ON MARCH 31, 1995 AND HAD NO OPERATING HISTORY ON THE NEW YORK STOCK EXCHANGE PRIOR TO THAT DATE.
- (e) FROM JUNE 30, 1989, THE DATE CLOSEST TO THE FUND'S INCEPTION FOR WHICH DATA IS AVAILABLE.

Sincerely yours,

/s/ Bruce N. Alpert

Bruce N. Alpert
President

February 22, 2008

THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.
SUMMARY OF PORTFOLIO HOLDINGS (UNAUDITED)

The following table presents portfolio holdings as a percent of total investments as of December 31, 2007:

LONG POSITIONS

U.S. Government Obligations	43.8%
Energy and Utilities	9.7%
Communications Equipment	5.5%
Automotive: Parts and Accessories	4.8%
Broadcasting	4.8%
Financial Services	3.8%
Food and Beverage	3.7%
Retail	3.2%
Health Care	2.9%
Diversified Industrial	2.0%
Telecommunications	1.9%
Building and Construction	1.9%
Wireless Communications	1.9%
Computer Software and Services	1.6%
Business Services	1.4%
Aerospace	1.4%
Real Estate	1.2%

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Hotels and Gaming	1.1%
Computer Hardware	1.0%
Consumer Products	0.6%
Cable and Satellite	0.6%
Transportation	0.4%
Electronics	0.4%
Entertainment	0.2%
Equipment and Supplies	0.1%
Manufactured Housing and Recreational Vehicles	0.1%
Publishing	0.0%
Automotive	0.0%
Cable	0.0%

	100.0%
	=====

THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC. (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 SEPTEMBER 30, 2007. SHAREHOLDERS MAY OBTAIN THIS INFORMATION AT WWW.GABELLI.COM OR BY CALLING THE FUND AT 800-GABELLI (800-422-3554). THE FUND'S FORM N-Q IS AVAILABLE ON THE SEC'S WEBSITE AT WWW.SEC.GOV AND MAY ALSO BE REVIEWED AND COPIED AT THE SEC'S PUBLIC REFERENCE ROOM IN WASHINGTON, DC. INFORMATION ON THE OPERATION OF THE PUBLIC REFERENCE ROOM MAY BE OBTAINED BY CALLING 1-800-SEC-0330.

PROXY VOTING

The Fund files Form N-PX with its complete proxy voting record for the 12 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.

THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.
SCHEDULE OF INVESTMENTS
DECEMBER 31, 2007

PRINCIPAL AMOUNT		COST	MARKET VALUE
-----		-----	-----
	CONVERTIBLE CORPORATE BONDS -- 20.3%		
	AUTOMOTIVE: PARTS AND ACCESSORIES -- 3.9%		
\$ 6,000,000	Standard Motor Products Inc., Sub. Deb. Cv., 6.750%, 07/15/09	\$ 5,427,710	\$ 5,745,000
	BROADCASTING -- 3.7%		
1,500,000	Sinclair Broadcast Group Inc., Cv. (STEP), 4.875%, 07/15/18	1,390,464	1,378,125
4,500,000	Sinclair Broadcast Group Inc., Sub. Deb. Cv.,		

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	3.500%, 09/30/35 (b)	\$ 505,984	\$ 439,375
1,000,000	PrivateBancorp Inc., Cv.,		
	3.625%, 03/15/27	1,002,723	965,000
		-----	-----
		1,508,707	1,404,375
		-----	-----
	HEALTH CARE -- 0.4%		
600,000	Advanced Medical Optics Inc.,		
	Sub. Deb. Cv.,		
	3.250%, 08/01/26	525,498	475,500
100,000	Millipore Corp., Cv.,		
	3.750%, 06/01/26	107,604	107,750
150,000	Sabratek Corp., Sub. Deb. Cv.,		
	6.000%, 04/15/08+ (a)	84,763	0
100,000	Thoratec Corp.,		
	Sub. Deb. Cv. (STEP),		
	1.380%, 05/16/34	69,311	67,125
		-----	-----
		787,176	650,375
		-----	-----
	MANUFACTURED HOUSING AND RECREATIONAL VEHICLES -- 0.1%		
100,000	Fleetwood Enterprises Inc.,		
	Sub. Deb. Cv.,		
	5.000%, 12/15/23 (b)	100,000	93,750
		-----	-----
	REAL ESTATE -- 1.2%		
2,500,000	Palm Harbor Homes Inc., Cv.,		
	3.250%, 05/15/24	2,393,180	1,781,250
		-----	-----
	RETAIL -- 2.3%		
60,000	Costco Wholesale Corp.,		
	Sub. Deb. Cv.,		
	Zero Coupon, 08/19/17	49,224	95,325
100,000	Pier 1 Imports Inc., Cv. (STEP),		
	6.375%, 02/15/36	95,373	83,000
3,000,000	The Great Atlantic &		
	Pacific Tea Co. Inc.,		
	Sub. Deb. Cv.,		
	5.125%, 06/15/11	3,000,000	3,210,000
		-----	-----
		3,144,597	3,388,325
		-----	-----
	TELECOMMUNICATIONS -- 0.0%		
	AMNEX Inc., Sub. Deb. Cv.,		
30,000	8.500%, 09/25/49+ (a) (b)	22,971	0
50,000	8.500%, 09/25/49+ (a) (b) (c) ...	48,801	0
50,000	Commonwealth Telephone		
	Enterprises Inc., Cv.,		
	3.250%, 07/15/23 (a)	49,689	53,230
		-----	-----
		121,461	53,230
		-----	-----
	WIRELESS COMMUNICATIONS -- 1.0%		
1,500,000	Nextel Communications Inc., Cv.,		
	5.250%, 01/15/10	1,305,039	1,492,500
		-----	-----
	TOTAL CONVERTIBLE CORPORATE BONDS	29,921,023	30,283,075
		-----	-----

SHARES

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	CONVERTIBLE PREFERRED STOCKS -- 2.7%		
	AEROSPACE -- 0.7%		
6,500	Northrop Grumman Corp., 7.000% Cv. Pfd., Ser. B	757,380	946,725
		-----	-----
	AUTOMOTIVE -- 0.0%		
1,000	General Motors Corp., 6.250% Cv. Pfd., Ser. C	22,940	19,570
		-----	-----

See accompanying notes to financial statements.

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THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.
SCHEDULE OF INVESTMENTS (CONTINUED)
DECEMBER 31, 2007

SHARES		COST	MARKET VALUE
-----		-----	-----
	CONVERTIBLE PREFERRED STOCKS (CONTINUED)		
	BUSINESS SERVICES -- 0.0%		
15,143	Interep National Radio Sales Inc., 4.000% Cv. Pfd., Ser. A+ (a) (b) (c)	\$ 1,347,184	\$ 30,287
20,000	Key3Media Group Inc. (STEP), 5.500% Cv. Pfd., Ser. B+ (a) ..	499,993	117
		-----	-----
		1,847,177	30,404
		-----	-----
	COMMUNICATIONS EQUIPMENT -- 0.3%		
600	Lucent Technologies Capital Trust I, 7.750% Cv. Pfd.	356,750	484,812
		-----	-----
	ENERGY AND UTILITIES -- 0.7%		
6,000	AES Trust III, 6.750% Cv. Pfd.	229,530	279,300
500	El Paso Corp., 4.990% Cv. Pfd. (b)	479,192	705,542
300	El Paso Energy Capital Trust I, 4.750% Cv. Pfd., Ser. C	11,460	10,800
		-----	-----
		720,182	995,642
		-----	-----
	ENTERTAINMENT -- 0.2%		
21,000	Six Flags Inc., 7.250% Cv. Pfd., Ser. B	421,190	301,350
		-----	-----
	FINANCIAL SERVICES -- 0.0%		
100	Alleghany Corp., 5.750% Cv. Pfd.	27,010	36,300
		-----	-----
	HEALTH CARE -- 0.1%		
100	Elite Pharmaceuticals Inc., \$2.32 Cv. Pfd. Ser. C+	91,465	100,000

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	TELECOMMUNICATIONS -- 0.4%		
14,000	Cincinnati Bell Inc., 6.750% Cv. Pfd., Ser. B	398,212	583,800
	TRANSPORTATION -- 0.3%		
2,500	GATX Corp., \$2.50 Cv. Pfd.	360,275	452,500
	TOTAL CONVERTIBLE PREFERRED STOCKS	5,002,581	3,951,103
	COMMON STOCKS -- 33.0%		
	AEROSPACE -- 0.7%		
12,842	Kaman Corp.	294,611	472,714
52,500	Rolls-Royce Group plc+	500,804	570,607
2,121,000	Rolls-Royce Group plc, Cl. B	4,335	4,644
		799,750	1,047,965
	AUTOMOTIVE: PARTS AND ACCESSORIES -- 0.9%		
30,000	Genuine Parts Co.	1,196,773	1,389,000
	BROADCASTING -- 1.1%		
45,000	Clear Channel Communications Inc.	1,724,310	1,553,400
10,000	Emmis Communications Corp., Cl. A+	84,661	38,500
		1,808,971	1,591,900
	BUILDING AND CONSTRUCTION -- 1.9%		
30,000	The Genlyte Group Inc.+	2,849,958	2,856,000
	BUSINESS SERVICES -- 1.4%		
324,000	Trans-Lux Corp.+ (d)	2,366,567	2,073,600
			MARKET
SHARES		COST	VALUE
	CABLE AND SATELLITE -- 0.6%		
493,409	Adelphia Recovery Trust+ (a)	\$ 0	\$ 0
35,000	Cablevision Systems Corp., Cl. A+	1,015,301	857,500
2,000	Rogers Communications Inc., Cl. B	28,913	90,500
		1,044,214	948,000
	COMMUNICATIONS EQUIPMENT -- 0.5%		
30,000	Corning Inc.	366,667	719,700
	COMPUTER HARDWARE -- 1.0%		
14,000	International Business Machines Corp.	1,122,403	1,513,400
	COMPUTER SOFTWARE AND SERVICES -- 1.6%		
40,000	Cognos Inc.+	2,297,747	2,302,800
2,000	Microsoft Corp.	51,660	71,200

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		2,349,407	2,374,000
		-----	-----
	CONSUMER PRODUCTS -- 0.5%		
2,000	Avon Products Inc.	55,032	79,060
30,000	Swedish Match AB	476,726	717,137
		-----	-----
		531,758	796,197
		-----	-----
	DIVERSIFIED INDUSTRIAL -- 1.1%		
40,000	General Electric Co.	1,368,972	1,482,800
36,000	WHX Corp.+	349,338	136,800
		-----	-----
		1,718,310	1,619,600
		-----	-----
	ELECTRONICS -- 0.4%		
22,000	Intel Corp.	443,773	586,520
		-----	-----
	ENERGY AND UTILITIES -- 7.7%		
6,000	Anadarko Petroleum Corp.	203,993	394,140
10,000	BP plc, ADR	665,900	731,700
2,000	Cameron International Corp.+	29,116	96,260
2,700	CH Energy Group Inc.	70,475	120,258
14,000	Chevron Corp.	856,710	1,306,620
5,000	ConocoPhillips	312,250	441,500
2,000	Devon Energy Corp.	127,485	177,820
2,000	Energy East Corp.	52,320	54,420
18,000	Exxon Mobil Corp.	1,064,257	1,686,420
10,100	FPL Group Inc.	571,056	684,578
22,000	Great Plains Energy Inc.	650,758	645,040
20,000	Halliburton Co.	600,224	758,200
41,000	Mirant Corp.+	599,231	1,598,180
1,200,000	Mirant Corp., Escrow+	0	0
7,000	National Fuel Gas Co.	273,710	326,760
15,000	Northeast Utilities	247,982	469,650
10,000	Progress Energy Inc., CVO+ (a) ...	5,200	3,300
18,000	Royal Dutch Shell plc, Cl. A, ADR	1,140,135	1,515,600
7,000	SJW Corp.	149,930	242,690
10,000	Xcel Energy Inc.	183,300	225,700
		-----	-----
		7,804,032	11,478,836
		-----	-----
	EQUIPMENT AND SUPPLIES -- 0.1%		
3,000	Mueller Industries Inc.	98,955	86,970
		-----	-----
	FINANCIAL SERVICES -- 2.9%		
2,000	AllianceBernstein Holding LP	122,180	150,500
35,000	American Express Co.	1,653,333	1,820,700
60,000	Citigroup Inc.	2,929,881	1,766,400
4,000	Federal National Mortgage Association	120,647	159,920

See accompanying notes to financial statements.

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SHARES		COST	MARKET VALUE
-----		-----	-----
	COMMON STOCKS (CONTINUED)		
	FINANCIAL SERVICES (CONTINUED)		
10,000	Marsh & McLennan Companies Inc.	\$ 290,880	\$ 264,700
5,000	Wells Fargo & Co.	150,750	150,950
		-----	-----
		5,267,671	4,313,170
		-----	-----
	FOOD AND BEVERAGE -- 3.7%		
4,000	Anheuser-Busch Companies Inc.	172,747	209,360
20,000	Cadbury Schweppes plc, ADR	1,034,878	987,400
23,000	General Mills Inc.	1,148,962	1,311,000
213,860	Parmalat SpA, GDR (b)	917,160	831,723
1,458	Pernod-Ricard SA	257,214	337,017
30,000	The Coca-Cola Co.	1,311,355	1,841,100
		-----	-----
		4,842,316	5,517,600
		-----	-----
	HEALTH CARE -- 2.4%		
20,000	Eli Lilly & Co.	1,122,323	1,067,800
961	Elite Pharmaceuticals Inc., Cl. A+ (a)	1,922	2,076
1,500	Johnson & Johnson	96,720	100,050
2,000	Merck & Co. Inc.	56,160	116,220
75,000	Pfizer Inc.	2,082,883	1,704,750
3,000	Respironics Inc.+	196,078	196,440
6,000	UnitedHealth Group Inc.	306,126	349,200
		-----	-----
		3,862,212	3,536,536
		-----	-----
	HOTELS AND GAMING -- 1.1%		
260,037	Ladbrokes plc	1,591,567	1,673,241
		-----	-----
	PUBLISHING -- 0.0%		
3,000	PRIMEDIA Inc.	49,756	25,500
		-----	-----
	RETAIL -- 0.9%		
5,000	Costco Wholesale Corp.	253,812	348,800
15,000	Wal-Mart Stores Inc.	689,530	712,950
7,000	Walgreen Co.	276,997	266,560
		-----	-----
		1,220,339	1,328,310
		-----	-----
	TELECOMMUNICATIONS -- 1.5%		
5,000	Golden Telecom Inc.+	512,455	504,750
7,000	Philippine Long Distance Telephone Co., ADR	178,067	530,040
27,000	Verizon Communications Inc.	992,747	1,179,630
		-----	-----
		1,683,269	2,214,420
		-----	-----
	TRANSPORTATION -- 0.1%		
5,000	GATX Corp.	228,000	183,400
		-----	-----
	WIRELESS COMMUNICATIONS -- 0.9%		
30,000	Rural Cellular Corp., Cl. A+	1,281,097	1,322,700

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	=====
OTHER ASSETS AND LIABILITIES (NET)	325,312
PREFERRED STOCK	
(991,800 preferred shares outstanding)	(49,770,000)

NET ASSETS -- COMMON STOCK	
(12,598,398 common shares outstanding)	\$ 99,589,682
	=====
NET ASSET VALUE PER COMMON SHARE	
(\$99,589,682 / 12,598,398 shares	
outstanding)	\$ 7.90
	=====

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- (a) Security fair valued under procedures established by the Board of Directors. 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 December 31, 2007, the market value of fair valued securities amounted to \$578,691 or 0.39% of total investments.
- (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 December 31, 2007, the market value of Rule 144A securities amounted to \$2,698,432 or 1.81% of total investments except as noted in (c), these securities are liquid.

See accompanying notes to financial statements.

THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.
SCHEDULE OF INVESTMENTS (CONTINUED)
DECEMBER 31, 2007

- (c) At December 31, 2007, the Fund held investments in restricted and illiquid securities amounting to \$407,035 or 0.27% of total investments, which were valued under methods approved by the Board of Directors as follows:

ACQUISITION SHARES/ PRINCIPAL AMOUNT	ISSUER	ACQUISITION DATE	ACQUISITION COST	12/31/07 CARRYING VALUE PER UNIT
-----	-----	-----	-----	-----
\$ 50,000	AMNEX Inc., 8.500%, 09/25/49	09/15/97	\$ 48,801	--
486,300	GP Strategies Corp. 6.000%, 08/14/08	08/14/03	338,548	\$ 0.6863
15,143	Interep National Radio Sales Inc., 4.000% Cv. Pfd., Ser. A	05/03/02	1,347,184	2.0001
379,703	National Patent Development Corp.			

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1,300	Warrants expire 08/14/08	11/24/04	--	0.1075
	Parmalat SpA Warrants, GDR, expire 12/31/15	11/09/05	--	1.6838

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

+ Non-income producing security.

++ Represents annualized yield at date of purchase.

ADR American Depository Receipt

CVO Contingent Value Obligation

GDR Global Depository Receipt

STEP Step coupon bond. The rate disclosed is that in effect at December 31, 2007.

See accompanying notes to financial statements.

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THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.

STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2007

ASSETS:

Investments, at value (cost \$142,940,635)	\$ 146,960,770
Investments in affiliates, at value (cost \$2,366,567)	2,073,600
Dividends and interest receivable	671,885
Other receivable	421,815
Prepaid expense	5,179

TOTAL ASSETS	150,133,249

LIABILITIES:

Payable to custodian	406,539
Distributions payable	48,728
Payable for investment advisory fees	85,348
Payable for payroll expenses	87,517
Payable for accounting fees	11,251
Payable for legal and audit fees	59,930
Payable for shareholder communications expenses	58,910
Other accrued expenses	15,344

TOTAL LIABILITIES	773,567

PREFERRED STOCK:

Series B Cumulative Preferred Stock (6.00%, \$25 liquidation value, \$0.001 par value, 1,995,000 shares authorized with 990,800 shares issued and outstanding)	24,770,000
Series C Cumulative Preferred Stock (Auction Rate, \$25,000 liquidation value, \$0.001 par value, 5,000 shares authorized with 1,000 shares issued	

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and outstanding)	25,000,000

TOTAL PREFERRED STOCK	49,770,000

NET ASSETS ATTRIBUTABLE TO COMMON STOCK SHAREHOLDERS	\$ 99,589,682
	=====
NET ASSETS ATTRIBUTABLE TO COMMON STOCK SHAREHOLDERS CONSIST OF:	
Paid-in capital, at \$0.001 par value	\$ 96,298,483
Accumulated distributions in excess of net investment income	(62,668)
Accumulated distributions in excess of net realized gain on investments, securities sold short, and foreign currency transactions	(373,301)
Net unrealized appreciation on investments	3,727,168

TOTAL NET ASSETS	\$ 99,589,682
	=====
NET ASSET VALUE PER COMMON SHARE (\$99,589,682 / 12,598,398 shares outstanding; 998,000,000 shares authorized)	\$ 7.90
	=====

STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2007

INVESTMENT INCOME:	
Dividends (net of foreign taxes of \$16,949)	\$ 1,776,851
Interest	5,119,583

TOTAL INVESTMENT INCOME	6,896,434

EXPENSES:	
Investment advisory fees	1,536,570
Payroll expenses	241,568
Shareholder communications expenses	134,685
Directors' fees	65,531
Legal and audit fees	63,401
Auction agent fees	62,400
Shareholder services fees	48,445
Accounting fees	45,000
Custodian fees	32,121
Dividends on securities sold short	6,363
Interest expense	568
Miscellaneous expenses	77,218

TOTAL EXPENSES	2,313,870
Less:	
Advisory fee reduction	(497,700)
Custodian fee credits	(14,147)

NET EXPENSES	1,802,023

NET INVESTMENT INCOME	5,094,411

NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS, SECURITIES SOLD SHORT, AND FOREIGN CURRENCY:	
Net realized gain on investments	4,405,677
Net realized gain on securities sold short	1,034,994
Net realized gain on foreign currency transactions	1,153

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Net realized gain on investments and foreign currency transactions	5,441,824

Net change in unrealized appreciation/depreciation on investments	(2,914,987)

NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS, SECURITIES SOLD SHORT, AND FOREIGN CURRENCY	2,526,837

NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	7,621,248

Total Distributions to Preferred Stock Shareholders	(2,811,194)

NET INCREASE IN NET ASSETS ATTRIBUTABLE TO COMMON STOCK SHAREHOLDERS RESULTING FROM OPERATIONS	\$ 4,810,054
	=====

See accompanying notes to financial statements.

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THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO COMMON SHAREHOLDERS

OPERATIONS:

Net investment income	\$
Net realized gain on investments, securities sold short, and foreign currency transactions	
Net change in unrealized appreciation/depreciation on investments	
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	

DISTRIBUTIONS TO PREFERRED SHAREHOLDERS:

Net investment income	
Net realized short-term gain on investments, securities sold short, and foreign currency transactions	
Net realized long-term gain on investments, securities sold short, and foreign currency transactions	
TOTAL DISTRIBUTIONS TO PREFERRED SHAREHOLDERS	

NET INCREASE IN NET ASSETS ATTRIBUTABLE TO COMMON SHAREHOLDERS RESULTING FROM
OPERATIONS

DISTRIBUTIONS TO COMMON SHAREHOLDERS:

Net investment income	
Net realized short-term gain on investments, securities sold short, and foreign currency transactions	
Net realized long-term gain on investments, securities sold short, and foreign currency transactions	

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Return of capital	
TOTAL DISTRIBUTIONS TO COMMON SHAREHOLDERS	
FUND SHARE TRANSACTIONS:	
Net increase in net assets from common shares issued upon reinvestment of dividends and distributions	
NET INCREASE IN NET ASSETS FROM FUND SHARE TRANSACTIONS	
NET INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO COMMON SHAREHOLDERS	
NET ASSETS ATTRIBUTABLE TO COMMON SHAREHOLDERS:	
Beginning of period	
End of period (including undistributed net investment income of \$0 and \$0, respectively)	

See accompanying notes to financial statements.

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THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC. NOTES TO FINANCIAL STATEMENTS

1. ORGANIZATION. The Gabelli Convertible and Income Securities Fund Inc. (the "Fund") is a diversified closed-end management investment company registered under the Investment Company Act of 1940, as amended (the "1940 Act"), whose investment objective is to seek a high level of total return through a combination of current income and capital appreciation by investing in convertible securities. The Fund was incorporated in Maryland on December 19, 1988 as a diversified open-end management investment company and commenced investment operations on July 3, 1989 as The Gabelli Convertible Securities Fund, Inc. The Board of Directors (the "Board"), upon approval at a special meeting of shareholders held on February 17, 1995, voted to approve the conversion of the Fund to closed-end status, effective March 31, 1995.

Effective August 1, 2002, the Fund changed its name to The Gabelli Convertible and Income Securities Fund Inc. Consistent with its new name, under normal market conditions, the Fund will invest at least 80% of its net assets in a combination of convertible securities and income producing securities (the "80% Policy"). The Fund expects to continue its practice of focusing on convertible securities to the extent attractive opportunities are available. The 80% Policy may be changed without shareholder approval. However, the Fund has adopted a policy to provide shareholders with notice at least 60 days prior to the implementation of any change in the 80% Policy.

2. SIGNIFICANT ACCOUNTING POLICIES. The preparation of financial statements in accordance with United States ("U.S.") generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates. The following is a summary of significant accounting policies followed by the Fund in the preparation of its financial statements.

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

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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 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 instruments with remaining maturities of 60 days or less that are not credit impaired are valued at amortized cost, 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. Debt instruments having a maturity greater than 60 days 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. Futures contracts are valued at the closing settlement price of the exchange or board of trade on which the applicable contract is traded.

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 to the valuation and changes in valuation of similar securities, including a comparison of foreign securities to the equivalent U.S. dollar value ADR 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.

In September 2006, the Financial Accounting Standards Board (the "FASB") issued Statement of Financial Accounting Standards ("SFAS") 157, Fair Value Measurements, which clarifies the definition of fair value and requires companies to expand their disclosure about the use of fair value to measure assets and liabilities in interim and annual periods subsequent to initial recognition. Adoption of SFAS 157 requires the use of the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. SFAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. At this time, management is in the process of reviewing the requirements of SFAS 157 against its current valuation policies to determine future applicability.

REPURCHASE AGREEMENTS. The Fund may enter into repurchase agreements with primary government securities dealers recognized by the Federal Reserve Board, with member banks of the Federal Reserve System, or with other brokers or dealers that meet credit guidelines established by the Adviser and reviewed by the Board. Under the terms of a typical repurchase agreement, the Fund takes possession of an underlying debt obligation subject to an obligation of the seller to repurchase, and the Fund to resell, the obligation at an agreed-upon price and time, thereby determining the yield during the Fund's holding period. The Fund will

THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

always receive and maintain securities as collateral whose market value, including accrued interest, will be at least equal to 102% of the dollar amount invested by the Fund in each agreement. The Fund will make payment for such securities only upon physical delivery or upon evidence of book entry transfer of the collateral to the account of the custodian. To the extent that any repurchase transaction exceeds one business day, the value of the collateral is marked-to-market on a daily basis to maintain the adequacy of the collateral. If the seller defaults and the value of the collateral declines or if bankruptcy proceedings are commenced with respect to the seller of the security, realization of the collateral by the Fund may be delayed or limited. At December 31, 2007, there were no open repurchase agreements.

SWAP AGREEMENTS. The Fund may enter into interest rate swap or cap transactions. The use of swaps and caps is a highly specialized activity that involves investment techniques and risks different from those associated with ordinary portfolio transactions. Swap agreements may involve, to varying degrees, elements of market and counterparty risk, and exposure to loss in excess of the related amounts reflected in the Statement of Assets and Liabilities. In an interest rate swap, the Fund would agree to pay to the other party to the interest rate swap (which is known as the "counterparty") periodically a fixed rate payment in exchange for the counterparty agreeing to pay to the Fund periodically a variable rate payment that is intended to approximate the Fund's variable rate payment obligation on Series C Preferred Stock. In an interest rate cap, the Fund would pay a premium to the counterparty and, to the extent that a specified variable rate index exceeds a predetermined fixed rate, would receive from that counterparty payments of the difference based on the notional amount of such cap. Interest rate swap and cap transactions introduce additional risk because the Fund would remain obligated to pay preferred stock dividends when due in accordance with the Articles Supplementary even if the counterparty defaulted. If there is a default by the counterparty to a swap contract, the Fund will be limited to contractual remedies pursuant to the agreements related to the transaction. There is no assurance that the swap contract counterparties will be able to meet their obligations pursuant to a swap contract or that, in the event of default, the Fund will succeed in pursuing contractual remedies. The Fund thus assumes the risk that it may be delayed in or prevented from obtaining payments owed to it pursuant to a swap contract. The creditworthiness of the swap contract counterparties is closely monitored in order to minimize this risk. Depending on the general state of short-term interest rates and the returns on the Fund's portfolio securities at that point in time, such a default could negatively affect the Fund's ability to make dividend payments. In addition, at the time an interest rate swap or cap transaction reaches its scheduled termination date, there is a risk that the Fund will not be able to obtain a replacement transaction or that the terms of the replacement will not be as favorable as on the expiring transaction. If this occurs, it could have a negative impact on the Fund's ability to make dividend payments.

Unrealized gains related to swaps are reported as an asset and unrealized losses are reported as a liability in the Statement of Assets and Liabilities. The change in value of swaps, including the accrual of periodic amounts of interest to be paid or received on swaps, are reported as unrealized gains or losses in the Statement of Operations. A realized gain or loss is recorded upon payment or receipt of a periodic payment or termination of swap agreements. At December 31, 2007, there were no open swap agreements.

FUTURES CONTRACTS. The Fund may engage in futures contracts for the purpose of hedging against changes in the value of its portfolio securities and

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in the value of securities it intends to purchase. Upon entering into a futures contract, the Fund is required to deposit with the broker an amount of cash or cash equivalents equal to a certain percentage of the contract amount. This is known as the "initial margin." Subsequent payments ("variation margin") are made or received by the Fund each day, depending on the daily fluctuations in the value of the contract, which are included in unrealized appreciation/depreciation on investments and futures contracts. The Fund recognizes a realized gain or loss when the contract is closed.

There are several risks in connection with the use of futures contracts as a hedging instrument. The change in value of futures contracts primarily corresponds with the value of their underlying instruments, which may not correlate with the change in value of the hedged investments. In addition, there is the risk that the Fund may not be able to enter into a closing transaction because of an illiquid secondary market. At December 31, 2007, there were no open futures contracts.

SECURITIES SOLD SHORT. The Fund may enter into short sale transactions. Short selling involves selling securities that may or may not be owned and, at times, borrowing the same securities for delivery to the purchaser, with an obligation to replace such borrowed securities at a later date. The proceeds received from short sales are recorded as liabilities and the Fund records an unrealized gain or loss to the extent of the difference between the proceeds received and the value of an open short position on the day of determination. The Fund records a realized gain or loss when the short position is closed out. By entering into a short sale, the Fund bears the market risk of an unfavorable change in the price of the security sold short. Dividends on short sales are recorded as an expense by the Fund on the ex-dividend date and interest expense is recorded on the accrual basis. The Fund did not hold any short positions as of December 31, 2007.

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THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC. NOTES TO FINANCIAL STATEMENTS (CONTINUED)

FORWARD FOREIGN EXCHANGE CONTRACTS. The Fund may engage in forward foreign exchange contracts for hedging a specific transaction with respect to either the currency in which the transaction is denominated or another currency as deemed appropriate by the Adviser. Forward foreign exchange contracts are valued at the forward rate and are marked-to-market daily. The change in market value is included in unrealized appreciation/depreciation on investments and foreign currency translations. When the contract is closed, the Fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed.

The use of forward foreign exchange contracts does not eliminate fluctuations in the underlying prices of the Fund's portfolio securities, but it does establish a rate of exchange that can be achieved in the future. Although forward foreign exchange contracts limit the risk of loss due to a decline in the value of the hedged currency, they also limit any potential gain that might result should the value of the currency increase. In addition, the Fund could be exposed to risks if the counterparties to the contracts are unable to meet the terms of their contracts. At December 31, 2007, there were no open forward foreign exchange contracts.

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 the current exchange rates.

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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 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 ability 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 those of securities of comparable U.S. issuers.

FOREIGN TAXES. The Fund may be subject to foreign taxes on income, gains on investments, or currency repatriation, a portion of which may be recoverable. The Fund will accrue such taxes and recoveries as applicable, based upon its current interpretation of tax rules and regulations that exist in the markets in which it invests.

RESTRICTED AND ILLIQUID SECURITIES. The Fund may invest up to 15% of its net assets in securities for which the markets are illiquid. Illiquid securities include securities the disposition of which is subject to substantial legal or contractual restrictions. The sale of illiquid securities often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than does the sale of securities eligible for trading on national securities exchanges or in the over-the-counter markets. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale. Securities freely saleable among qualified institutional investors under special rules adopted by the SEC may be treated as liquid if they satisfy liquidity standards established by the Board. The continued liquidity of such securities is not as well assured as that of publicly traded securities, and accordingly the Board will monitor their liquidity.

SECURITIES TRANSACTIONS AND INVESTMENT INCOME. Securities transactions are accounted for on the trade date with realized gain or loss on investments determined by using the identified cost method. Interest income (including amortization of premium and accretion of discount) is recorded on the accrual basis. Premiums and discounts on debt securities are amortized using the effective yield to maturity method. Dividend income is recorded on the ex-dividend date except for certain dividends which are recorded as soon as the Fund is informed of the dividend.

CUSTODIAN FEE CREDITS AND INTEREST EXPENSE. When cash balances are maintained in the custody account, the Fund receives credits which are used to offset custodian fees. The gross expenses paid under the custody arrangement are included in custodian fees in the Statement of Operations with the corresponding expense offset, if any, shown as "custodian fee credits." When cash balances are overdrawn, the Fund is charged an overdraft fee of 2.00% above the federal funds rate on outstanding balances. This amount, if any, would be shown as "interest expense" in the Statement of Operations.

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DISTRIBUTIONS TO SHAREHOLDERS. Distributions to common shareholders are recorded on the ex-dividend date. Distributions to shareholders are based on income and capital gains as determined in accordance with federal income tax regulations, which may differ from income and capital gains as determined under U.S. generally accepted accounting principles. These differences are

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THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC. NOTES TO FINANCIAL STATEMENTS (CONTINUED)

primarily due to differing treatments of income and gains on various investment securities and foreign currency transactions held by the Fund, timing differences, and differing characterizations of distributions made by the Fund. Distributions from net investment income include net realized gains on foreign currency transactions. These book/tax differences are either temporary or permanent in nature. To the extent these differences are permanent, adjustments are made to the appropriate capital accounts in the period when the differences arise. These reclassifications have no impact on the NAV of the Fund. For the fiscal year ended December 31, 2007, reclassifications were made to decrease accumulated distributions in excess of net investment income by \$76,491 and increase accumulated distributions in excess of net realized gain on investments, securities sold short, and foreign currency transactions by \$(74,532), with an offsetting adjustment to paid-in capital.

Distributions to shareholders of the Fund's 6.00% Series B Cumulative Preferred Stock and Series C Auction Rate Cumulative Preferred Stock ("Cumulative Preferred Stock") are recorded on a daily basis and are determined as described in Note 5.

The tax character of distributions paid during the fiscal years ended December 31, 2007 and December 31, 2006 was as follows:

	YEAR ENDED DECEMBER 31, 2007		YEAR ENDED DECEMBER 31, 2006	
	COMMON	PREFERRED	COMMON	PREFERRED
DISTRIBUTIONS PAID FROM:				
Ordinary income				
(inclusive of short-term capital gains)	\$ 5,549,933	\$ 2,001,944	\$ 5,635,363	\$ 1,800,000
Net long-term capital gains	2,243,463	809,250	4,070,407	1,800,000
Return of capital	2,153,250	--	--	--
Total distributions paid	\$ 9,946,646	\$ 2,811,194	\$ 9,705,770	\$ 3,600,000

During 2007, distributions were made from current earnings and profits that were in excess of required distributions and treated as ordinary income.

PROVISION FOR INCOME TAXES. The Fund intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"). It is the policy of the Fund to comply with the requirements of the Code applicable to regulated investment companies and to distribute substantially all of its net investment company taxable income and

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net capital gains. Therefore, no provision for federal income taxes is required.

At December 31, 2007, the difference between book basis and tax basis unrealized appreciation was primarily due to deferral of losses on wash sales, basis adjustments on investments in partnerships, and from prior tax elections.

As of December 31, 2007, the components of accumulated earnings (losses) on a tax basis were as follows:

Net unrealized appreciation on investments	\$ 3,806,277
Other temporary differences*	(515,078)

Total	\$ 3,291,199
	=====

* Other temporary differences are primarily due to conversion premiums, basis adjustments from partnerships, and 5 year qualified tax gain.

The following summarizes the tax cost of investments and the related unrealized appreciation (depreciation) at December 31, 2007:

	COST/ PROCEEDS	GROSS UNREALIZED APPRECIATION	GROSS UNREALIZED DEPRECIATION	NET UNREALIZED APPRECIATION
	-----	-----	-----	-----
Investments	\$ 145,228,093	\$ 10,933,348	\$ (7,127,071)	\$ 3,806,277

FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes, an Interpretation of FASB Statement No. 109" (the "Interpretation") established a minimum threshold for financial statement recognition of the benefit of positions taken in filing tax returns (including whether the Fund is taxable in a particular jurisdiction) and required certain expanded tax disclosures. The Fund has adopted the Interpretation for all open tax years and it had no impact on the amounts reported in the financial statements.

3. AGREEMENTS AND TRANSACTIONS WITH AFFILIATES. The Fund has entered into an investment advisory agreement (the "Advisory Agreement") with the Adviser which provides that the Fund will pay the Adviser a fee, computed daily and paid monthly, equal on an annual basis to 1.00% of the value of the Fund's average daily net assets including the liquidation value of preferred stock. In accordance with the Advisory Agreement, the Adviser provides a continuous investment program for the Fund's portfolio and oversees the administration of all aspects of the Fund's business and affairs. The Adviser has agreed to reduce the management fee on the incremental assets attributable to the Cumulative Preferred Stock if the total return of the NAV of the common shares of the Fund, including distributions and advisory fee subject to reduction, does not exceed the stated dividend rate or corresponding swap rate of each particular series of the Cumulative Preferred Stock for the fiscal year.

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The Fund's total return on the NAV of the Common Shares is monitored on a monthly basis to assess whether the total return on the NAV of the Common Shares exceeds the stated dividend rate or corresponding swap rate of each particular series of Cumulative Preferred Stock for the period. For the fiscal year ended December 31, 2007, the Fund's total return on the NAV of the Common Shares did not exceed the stated dividend rate or net swap expense of all outstanding Preferred Stock. Thus, management fees with respect to the liquidation value of the preferred stock assets were reduced by \$497,700.

During the year ended December 31, 2007, the Fund paid brokerage commissions on security trades of \$63,716 to Gabelli & Company, Inc. ("Gabelli & Company"), an affiliate of the Adviser.

The cost of calculating the Fund's NAV per share is a Fund expense pursuant to the Advisory Agreement between the Fund and the Adviser. During the year ended December 31, 2007, the Fund paid or accrued \$45,000 to the Adviser in connection with the cost of computing the Fund's NAV.

As per the approval of the Board, the Fund compensates officers of the Fund, who are employed by the Fund and are not employed by the Adviser (although the officers may receive incentive based variable compensation from affiliates of the Adviser, and pays its allocated portion of the cost of the Fund's Chief Compliance Officer). For the fiscal year ended December 31, 2007, the Fund paid or accrued \$241,568, which is included in payroll expenses in the Statement of Operations.

The Fund pays each Director who is not considered to be an affiliated person an annual retainer of \$5,000 plus \$750 for each Board meeting attended and they are reimbursed for any out of pocket expenses incurred in attending meetings. All Board committee members receive \$500 per meeting attended. In addition, the Audit Committee Chairman receives an annual fee of \$3,000 and the Nominating Committee Chairman receives an annual fee of \$2,000. Directors who are directors or employees of the Adviser or an affiliated company receive no compensation or expense reimbursement from the Fund.

4. PORTFOLIO SECURITIES. Purchases and proceeds from the sales of securities for the fiscal year ended December 31, 2007, other than short-term securities, aggregated \$101,135,281 and \$62,478,413, respectively.

5. CAPITAL. The charter permits the Fund to issue 998,000,000 shares of common stock (par value \$0.001). The Board has authorized the repurchase of up to 500,000 common shares on the open market when the shares are trading at a discount of 10% or more (or such other percentage as the Board may determine from time to time) from the NAV of the shares. During the fiscal year ended December 31, 2007, the Fund did not repurchase any shares of its common stock in the open market.

Transactions in common stock were as follows:

	YEAR ENDED DECEMBER 31, 2007		YEAR ENDED DECEMBER 31, 2006	
	Shares	Amount	Shares	Amount
Net increase from shares issued upon reinvestment of distributions	275,924	\$ 2,337,964	307,518	\$ 2,593,272

The Fund's Articles of Incorporation authorize the issuance of up to

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2,000,000 shares of \$0.001 par value Cumulative Preferred Stock. The Cumulative Preferred Stock is senior to the common stock and results in the financial leveraging of the common stock. Such leveraging tends to magnify both the risks and opportunities to common shareholders. Dividends on shares of the Cumulative Preferred Stock are cumulative. The Fund is required by the 1940 Act and by the Articles Supplementary to meet certain asset coverage tests with respect to the Cumulative Preferred Stock. If the Fund fails to meet these requirements and does not correct such failure, the Fund may be required to redeem, in part or in full, the 6.00% Series B and Series C Auction Rate Cumulative Preferred Stock at redemption prices of \$25.00 and \$25,000, respectively, per share plus an amount equal to the accumulated and unpaid dividends whether or not declared on such shares in order to meet these requirements. Additionally, failure to meet the foregoing asset coverage requirements could restrict the Fund's ability to pay dividends to common shareholders and could lead to sales of portfolio securities at inopportune times. The income received on the Fund's assets may vary in a manner unrelated to the fixed and variable rates, which could have either a beneficial or detrimental impact on net investment income and gains available to common shareholders.

On March 18, 2003, the Fund received net proceeds of \$23,994,241 after underwriting discounts of \$787,500 and offering expenses of \$218,259 from the public offering of 1,000,000 shares of 6.00% Series B Cumulative Preferred Stock. Commencing March 19, 2008 and thereafter, the Fund, at its option, may redeem the 6.00% Series B Cumulative Preferred Stock in whole or in part at the redemption price at any time. The Board has authorized the repurchase on the open market at prices less than the \$25 liquidation value of the Cumulative Preferred Stock. During the fiscal year ended December 31, 2007, the Fund did not repurchase any shares of 6.00% Series B Cumulative Preferred Stock. At December 31, 2007, 990,800 shares of 6.00% Series B Cumulative Preferred Stock were outstanding and accrued dividends amounted to \$24,770.

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THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC. NOTES TO FINANCIAL STATEMENTS (CONTINUED)

On March 18, 2003, the Fund received net proceeds of \$24,531,741 after underwriting discounts of \$250,000 and offering expenses of \$218,259 from the public offering of 1,000 shares of Series C Auction Rate Cumulative Preferred Stock. The dividend rate, as set by the auction process, which is generally held every seven days, is expected to vary with short-term interest rates. If the number of Series C Auction Rate Cumulative Preferred Stock subject to bid orders by potential holders is less than the number of Series C Auction Rate Cumulative Preferred Stock subject to sell orders, then the auction is considered to be a failed auction, and the dividend rate will be the maximum rate. In that event, holders that have submitted sell orders may not be able to sell any or all of the Series C Auction Rate Cumulative Preferred Stock for which they have submitted sell orders. The current maximum rate is 150% of the "AA" Financial Composite Commercial Paper Rate on the date of such auction. The dividend rates of Series C Auction Rate Cumulative Preferred Stock ranged from 4.75% to 6.10% for the fiscal year ended December 31, 2007. Existing shareholders may submit an order to hold, bid, or sell such shares on each auction date. Series C Auction Rate Cumulative Preferred Stock shareholders may also trade shares in the secondary market. The Fund, at its option, may redeem the Series C Auction Rate Cumulative Preferred Stock in whole or in part at the redemption price at any time. During the fiscal year ended December 31, 2007, the Fund did not redeem any shares of Series C Auction Rate Cumulative Preferred Stock. At December 31, 2007, 1,000 shares of Series C Auction Rate Cumulative Preferred Stock were outstanding with an annualized dividend rate of 5.75% and accrued dividends

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amounted to \$23,958.

The holders of Cumulative Preferred Stock generally are entitled to one vote per share held on each matter submitted to a vote of shareholders of the Fund and will vote together with holders of common stock as a single class. The holders of Cumulative Preferred Stock voting together as a single class also have the right currently to elect two Directors and under certain circumstances are entitled to elect a majority of the Board of Directors. In addition, the affirmative vote of a majority of the votes entitled to be cast by holders of all outstanding shares of the preferred stock, voting as a single class, will be required to approve any plan of reorganization adversely affecting the preferred stock, and the approval of two-thirds of each class, voting separately, of the Fund's outstanding voting stock must approve the conversion of the Fund from a closed-end to an open-end investment company. The approval of a majority (as defined in the 1940 Act) of the outstanding preferred stock and a majority (as defined in the 1940 Act) of the Fund's outstanding voting securities are required to approve certain other actions, including changes in the Fund's investment objectives or fundamental investment policies.

6. TRANSACTIONS IN SECURITIES OF AFFILIATED ISSUERS. The 1940 Act defines affiliated issuers as those in which the Fund's holdings of an issuer represent 5% or more of the outstanding voting securities of the issuer. A summary of the Fund's transactions in the securities of this issuer during the fiscal year ended December 31, 2007 is set forth below:

	BEGINNING SHARES -----	ENDING SHARES -----	NET CHANGE IN UNREALIZED APPRECIATION -----	VALUE AT DECEMBER 31, 2007 -----	PERCENT OWNED OF SHARES OUTSTANDING -----
Trans-Lux Corp.	--	324,000	\$ 292,967	\$2,073,600	16.04%

7. INDEMNIFICATIONS. The Fund enters into contracts that contain a variety of indemnifications. The Fund's maximum exposure under these arrangements is unknown. However, the Fund has not had prior claims or losses pursuant to these contracts and expects the risk of loss to be remote.

8. OTHER MATTERS. The Adviser and/or affiliates received subpoenas from the Attorney General of the State of New York and the SEC requesting information on mutual fund share trading practices involving certain funds managed by the Adviser. GAMCO Investors, Inc. ("GAMCO"), the Adviser's parent company, responded to these requests for documents and testimony. In June 2006, GAMCO began discussions with the SEC regarding a possible resolution of their inquiry. In February 2007, the Adviser made an offer of settlement to the staff of the SEC for communication to the Commission for its consideration to resolve this matter. This offer of settlement is subject to agreement regarding the specific language of the SEC's administrative order and other settlement documents. On a separate matter, in September 2005, the Adviser was informed by the staff of the SEC that the staff may recommend to the Commission that an administrative remedy and a monetary penalty be sought from the Adviser in connection with the actions of two of nine closed-end funds managed by the Adviser relating to Section 19(a) and Rule 19a-1 of the 1940 Act. These provisions require registered investment companies to provide written statements to shareholders when a dividend is made from a source other than net investment income. While the two closed-end funds sent annual statements and provided other materials containing this information, the funds did not send written statements to shareholders with each distribution in 2002 and 2003. The Adviser believes that all of the funds are now in compliance. The Adviser believes that these matters would have no effect on the

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Fund or any material adverse effect on the Adviser or its ability to manage the Fund.

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THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC. FINANCIAL HIGHLIGHTS

SELECTED DATA FOR A COMMON SHARE
OUTSTANDING THROUGHOUT EACH PERIOD:

	YEAR	
	2007	2006
OPERATING PERFORMANCE:		
Net asset value, beginning of period	\$ 8.31	\$ 7.95
Net investment income	0.42	0.45
Net realized and unrealized gain on investments	0.20	0.92
Total from investment operations	0.62	1.37
DISTRIBUTIONS TO PREFERRED SHAREHOLDERS: (A)		
Net investment income	(0.11)	(0.09)
Net realized gain on investments	(0.12)	(0.13)
Total distributions to preferred stock shareholders	(0.23)	(0.22)
NET INCREASE IN NET ASSETS ATTRIBUTABLE TO COMMON SHAREHOLDERS RESULTING FROM OPERATIONS	0.39	1.15
DISTRIBUTIONS TO COMMON SHAREHOLDERS:		
Net investment income	(0.31)	(0.34)
Net realized gain on investments	(0.32)	(0.46)
Paid-in capital	(0.17)	--
Total distributions to common shareholders	(0.80)	(0.80)
FUND SHARE TRANSACTIONS:		
Increase in net asset value from common share transactions	0.00 (d)	0.01
Increase in net asset value from repurchase of preferred shares	--	--
Offering costs for preferred shares charged to paid-in capital	--	--
Total fund share transactions	0.00 (d)	0.01
NET ASSET VALUE ATTRIBUTABLE TO COMMON SHAREHOLDERS, END OF PERIOD	\$ 7.90	\$ 8.31
NAV total return +	4.44%	14.80%
Market value, end of period	\$ 7.67	\$ 8.95
Investment total return ++	(5.85)%	11.32%
RATIOS AND SUPPLEMENTAL DATA:		

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Net assets including liquidation value of preferred shares, end of period (in 000's)	\$ 149,360	\$152,158
Net assets attributable to common shares, end of period (in 000's)	\$ 99,590	\$102,388
Ratio of net investment income to average net assets attributable to common shares before preferred share distributions	4.90%	5.51%
Ratio of operating expenses to average net assets attributable to common stock before fees waived	2.23%	--
Ratio of operating expenses to average net assets attributable to common shares net of advisory fee reduction, if any	1.75%(e) (f)	2.07%(e)
Ratio of operating expenses to average total net assets including liquidation value of preferred shares before fees waived	1.51%	--
Ratio of operating expenses to average net assets including liquidation value of preferred shares net of advisory fee reduction, if any	1.18%(e) (f)	1.37%(e)
Portfolio turnover rate	61%	51%

See accompanying notes to financial statements.

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THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.
FINANCIAL HIGHLIGHTS (CONTINUED)

	YEAR ENDED DECEMBER 31		
	2007	2006	2005
PREFERRED STOCK:			
6.00% SERIES B CUMULATIVE PREFERRED STOCK			
Liquidation value, end of period (in 000's)	\$ 24,770	\$ 24,770	\$ 24,770
Total shares outstanding (in 000's)	991	991	991
Liquidation preference per share	\$ 25.00	\$ 25.00	\$ 25.00
Average market value (b)	\$ 24.07	\$ 24.10	\$ 25.14
Asset coverage per share	\$ 75.02	\$ 76.43	\$ 73.00
AUCTION RATE SERIES C CUMULATIVE PREFERRED STOCK			
Liquidation value, end of period (in 000's)	\$ 25,000	\$ 25,000	\$ 25,000
Total shares outstanding (in 000's)	1	1	1
Liquidation preference per share	\$ 25,000	\$ 25,000	\$ 25,000
Average market value (b)	\$ 25,000	\$ 25,000	\$ 25,000
Asset coverage per share	\$ 75,025	\$ 76,431	\$ 72,998
Asset Coverage (c)	300%	306%	292%

+ Based on net asset value per share, adjusted for reinvestment of distributions at prices dependent under the Fund's dividend reinvestment plan.

++ Based on market value per share, adjusted for reinvestment of distributions at prices dependent under the Fund's dividend reinvestment plan.

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- (a) Calculated based upon average common shares outstanding on the record dates throughout the periods.
- (b) Based on weekly prices.
- (c) Asset coverage is calculated by combining all series of preferred stock.
- (d) Amount represents less than \$0.005 per share.
- (e) The ratios do not include a reduction of expenses for custodian fee credits on cash balances maintained with the custodian. Including such custodian fee credits for the fiscal years ended December 31, 2007 and December 31, 2006, the ratios of operating expenses to average net assets attributable to common shares net of advisory fee reduction would have been 1.74% and 2.05%, respectively, and the ratios of operating expenses to average net assets including liquidation value of preferred shares would have been 1.17% and 1.37%, respectively. For the fiscal year ended December 31, 2005, the effect of the custodian fee credits was minimal.
- (f) The Fund incurred dividend expense on securities sold short for the fiscal year ended December 31, 2006. If dividend expense had not been incurred, the ratio of operating expenses to average net assets attributable to common shares would have been 2.06% and the ratio of operating expenses to average net assets including liquidation value of preferred shares would have been 1.37%. For the fiscal year ended December 31, 2007, the effect of the dividend expense on securities sold short was minimal.

See accompanying notes to financial statements.

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THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.
REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of
The Gabelli Convertible and Income Securities Fund Inc.:

In our opinion, the accompanying statement of assets and liabilities, including the schedule of investments, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of The Gabelli Convertible and Income Securities Fund Inc. (hereafter referred to as the "Fund") at December 31, 2007, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as "financial statements") are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at December 31, 2007 by correspondence with the custodian, provide a reasonable basis for our opinion.

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PricewaterhouseCoopers LLP
 New York, New York
 February 29, 2008

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THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC. ADDITIONAL FUND INFORMATION (UNAUDITED)

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

NAME, POSITION(S) ADDRESS(1) AND AGE	TERM OF OFFICE AND LENGTH OF TIME SERVED(2)	NUMBER OF FUNDS IN FUND COMPLEX OVERSEEN BY DIRECTOR	PRINCIPAL OCCUPATION(S) DURING PAST FIVE YEARS
INTERESTED DIRECTORS (3):			
MARIO J. GABELLI Director and Chief Investment Officer Age: 65	Since 1989**	26	Chairman and Chief Executive Officer of GAMCO Investors, Inc. and Chief Investment Officer - Value Portfolio of Gabelli Funds, LLC and GAMCO Asset Management Inc.; Director/Trustee or Chief Investment Officer of other registered investment companies in the Gabelli/GAMCO Funds complex; Chairman and Chief Executive Officer of GGCP, Inc.
INDEPENDENT DIRECTORS (6):			
E. VAL CERUTTI Director Age: 68	Since 1989*	7	Chief Executive Officer of Cerutti Consultants, Inc.
ANTHONY J. COLAVITA(4) Director Age: 72	Since 1989***	35	Partner in the law firm of Anthony J. Colavita, P.C.
DUGALD A. FLETCHER Director Age: 78	Since 1989*	2	President, Fletcher & Company, Inc.
ANTHONY R. PUSTORINO Director Age: 82	Since 1989*	14	Certified Public Accountant; Professor Emeritus, Pace University
WERNER J. ROEDER, MD(4)	Since 2001**	23	Medical Director of Lawrence

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Director Age: 67			Hospital and practicing private physician
ANTHONIE C. VAN EKRIS Director Age: 73	Since 1992***	19	Chairman of BALMAC International, Inc. (commodities and futures trading)
SALVATORE J. ZIZZA Director Age: 62	Since 1991***	26	Chairman of Zizza & Co., Ltd. (consulting)

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THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.
ADDITIONAL FUND INFORMATION (UNAUDITED) (CONTINUED)

NAME, POSITION(S) ADDRESS(1) AND AGE	TERM OF OFFICE AND LENGTH OF TIME SERVED(2)	PRINCIPAL OCCUPATION DURING PAST FIVE YEARS

OFFICERS:		
BRUCE N. ALPERT President Age: 56	Since 2003	Executive Vice President and Chief Operating Officer since 1988 and an officer of most of the registered investment companies in the Gabelli/GAMCO Funds complex. Director and President of GAMCO Asset Management Inc. since 1998
LAURISSA M. MARTIRE Vice President and Ombudsman Age: 31	Since 2004	Vice President of The Gabelli Global Multimedia Group, Inc. and Assistant Vice President of GAMCO Investors, Inc. Sales Assistant for GAMCO Investors, Inc.
JAMES E. MCKEE Secretary Age: 44	Since 1995	Vice President, General Counsel, and Secretary of GAMCO Asset Management Inc. since 1999 and the registered investment companies in the Gabelli/GAMCO Funds complex.
AGNES MULLADY Treasurer Age: 49	Since 2006	Vice President of Gabelli Funds, LLC since 2007; registered investment companies in the Gabelli/GAMCO Funds complex. Vice President of U.S. Trust Company, N.A. and Treasurer of Excelsior Funds from 2004 through 2006. Officer of AMIC Distribution Partners from 2002 through 2004. Director of Management Corporation and Reserve Partners, Inc. from 2000 through 2002.
PETER D. GOLDSTEIN Chief Compliance Officer Age: 54	Since 2004	Director of Regulatory Affairs at GAMCO Investor Services, Inc. Compliance Officer of all of the registered investment companies in the Gabelli/GAMCO Funds complex; Vice President of GAMCO Asset Management from 2000 through 2004

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

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(2) The Fund's Board of Directors is divided into three classes, each class having a term of three years. Each year the term of office of one class expires and the successor or successors elected to such class serve for a three year term. The three year term for each class expires as follows:

* - Term expires at the Fund's 2009 Annual Meeting of Shareholders or until their successors are duly elected and qualified.

** - Term expires at the Fund's 2010 Annual Meeting of Shareholders or until their successors are duly elected and qualified.

*** - Term expires at the Fund's 2008 Annual Meeting of Shareholders or until their successors are duly elected and qualified.

Each officer will hold office for an indefinite term until the date he or she resigns or retires or until his or her successor is elected and qualified.

(3) "Interested person" of the Fund as defined in the 1940 Act. Mr. Gabelli is considered an "interested person" because of his affiliation with Gabelli Funds, LLC which acts as the Fund's investment adviser.

(4) Represents holders of the Fund's Preferred Stock.

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

(6) Directors who are not interested persons are considered "Independent" Directors.

CERTIFICATIONS

The Fund's Chief Executive Officer has certified to the New York Stock Exchange ("NYSE") that, as of June 13, 2007, he was not aware of any violation by the Fund of applicable NYSE corporate governance listing standards. The Fund reports to the Securities and Exchange Commission on Form N-CSR which contains certifications by the Fund's principal executive officer and principal financial officer that relate to the Fund's disclosure in such reports and that are required by Rule 30a-2(a) under the 1940 Act.

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THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.
INCOME TAX INFORMATION (UNAUDITED)
DECEMBER 31, 2007

CASH DIVIDENDS AND DISTRIBUTIONS

PAYABLE DATE	RECORD DATE	TOTAL AMOUNT PAID PER SHARE (a)	ORDINARY INVESTMENT INCOME (a)	LONG-TERM CAPITAL GAIN (a)	RETURN OF CAPITAL (c)	DIVI REINVE PRI
-----	-----	-----	-----	-----	-----	-----
COMMON SHARES 03/26/07	03/16/07	\$ 0.20000	\$ 0.10097	\$ 0.05931	\$ 0.03972	\$ 8.

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06/25/07	06/15/07	0.20000	0.09423	0.06183	0.04394	8.
09/24/07	09/14/07	0.20000	0.09423	0.06183	0.04394	8.
12/17/07	12/12/07	0.20000	0.09423	0.06183	0.04394	7.
		-----	-----	-----	-----	
		\$ 0.80000	\$ 0.38366	\$ 0.24480	\$ 0.17154	
6.00% PREFERRED SHARES						
03/26/07	03/19/07	\$ 0.37500	\$ 0.23422	\$ 0.14078		
06/26/07	06/19/07	0.37500	0.22642	0.14858		
09/26/07	09/19/07	0.37500	0.22642	0.14858		
12/26/07	12/18/07	0.37500	0.22642	0.14858		
		-----	-----	-----		
		\$ 1.50000	\$ 0.91348	\$ 0.58652		

AUCTION RATE PREFERRED SHARES

Auction Rate Preferred Shares pay dividends weekly based on a rate set at auction, usually held every seven days. The percentage of 2007 distributions derived from long-term capital gains for the Auction Rate Preferred Shares was 39.10%.

A Form 1099-DIV has been mailed to all shareholders of record for the distributions mentioned above, setting forth specific amounts to be included in the 2007 tax returns. Ordinary income distributions include net investment income and net realized short-term capital gains. The long-term gain distributions for the fiscal year ended December 31, 2007 were \$4,151,919, or the maximum allowable.

CORPORATE DIVIDENDS RECEIVED DEDUCTION, QUALIFIED DIVIDEND INCOME, AND U.S. GOVERNMENT SECURITIES INCOME

The Fund paid to common and 6.00% Series B preferred shareholders ordinary income dividends of \$0.38366 and \$0.91348 per share, respectively, in 2007. The Fund paid weekly distributions to Series C Auction Rate Preferred shareholders at varying rates throughout the year, including an ordinary income dividend totalling \$820.4286 per share in 2007. For the fiscal year ended December 31, 2007, 20.66% of the ordinary dividend qualified for the dividends received deduction available to corporations, and 20.28% of the ordinary income distribution was qualified dividend income. The percentage of ordinary income dividends paid by the Fund during 2007 derived from U.S. Treasury Securities was 15.61%. Such income is exempt from state and local tax in all states. However, many states, including New York and California, allow a tax exemption for a portion of the income earned only if a mutual fund has invested at least 50% of its assets at the end of each quarter of the Fund's fiscal year in U.S. Government Securities. The Fund did not meet this strict requirement in 2007. The percentage of net assets of U.S. Treasury Securities held as of December 31, 2007 was 43.66%.

HISTORICAL DISTRIBUTION SUMMARY

COMMON STOCK	INVESTMENT INCOME (b)	SHORT-TERM CAPITAL GAINS (b)	LONG-TERM CAPITAL GAINS	RETURN OF CAPITAL (c)	TOT DISTRIBUT
	-----	-----	-----	-----	-----
2007	\$ 0.30784	\$ 0.07582	\$ 0.24480	\$ 0.17154	\$ 0
2006	0.34356	0.12104	0.33540	--	0
2005	0.29540	0.05780	0.20644	0.24036	0
2004	0.18800	--	--	0.61200	0
2003	0.18800	--	0.05160	0.56040	0

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2002	0.27170	--	--	0.47830	0
2001	0.47550	0.06950	0.26500	--	0
2000	0.56610	0.32670	0.40720	--	1
1999	0.38990	0.44590	0.19420	--	1
1998	0.38660	0.24130	0.29210	--	0
1997	0.39690	0.22850	0.33460	--	0
1996	0.49000	0.14160	0.10340	--	0
1995	0.55740	0.20410	0.35950	0.02900	1
1994	0.57300	0.11500	0.21200	--	0
1993	0.56100	0.20000	0.66400	--	1
1992	0.65400	0.09000	0.13200	--	0
1991	0.70600	0.11200	0.04700	--	0
1990	0.69000	--	--	--	0
1989	0.11500	--	--	--	0
6.00% PREFERRED STOCK					
2007	\$0.73128	\$ 0.18220	\$ 0.58652	--	\$ 1
2006	0.64417	0.22693	0.62890	--	1
2005	0.79175	0.15491	0.55334	--	1
2004	1.50000	--	--	--	1
2003	0.90900	--	0.24930	--	1
AUCTION RATE PREFERRED SHARES					
2007	\$ 656.77286	\$ 163.65570	\$ 526.77144	--	\$ 1.347
2006	525.22150	185.03180	512.76670	--	1.223
2005	438.5016	85.79450	306.46390	--	830
2004	375.0800	--	--	--	375
2003	187.3200	--	51.34000	--	238

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- (a) Total amounts may differ due to rounding.
 - (b) Taxable as ordinary income for Federal tax purposes.
 - (c) Non-taxable.
 - (d) Decrease in cost basis.

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AUTOMATIC DIVIDEND REINVESTMENT
AND VOLUNTARY CASH PURCHASE PLANS

ENROLLMENT IN THE PLAN

It is the policy of The Gabelli Convertible and Income Securities Fund Inc. (the "Fund") to automatically reinvest dividends payable to common shareholders. As a "registered" shareholder you automatically become a participant in the Fund's Automatic Dividend Reinvestment Plan (the "Plan"). The Plan authorizes the Fund to credit shares of common stock to participants upon an income dividend or a capital gains distribution regardless of whether the shares are trading at a discount or a premium to net asset value. All distributions to shareholders whose shares are registered in their own names will be automatically reinvested pursuant to the Plan in additional shares of the Fund. Plan participants may send their stock certificates to Computershare Trust Company, N.A. ("Computershare") to be held in their dividend reinvestment account. Registered shareholders wishing to receive their distributions in cash must submit this request in writing to:

The Gabelli Convertible and Income Securities Fund Inc.

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c/o Computershare
P.O. Box 43010
Providence, RI 02940-3010

Shareholders requesting this cash election must include the shareholder's name and address as they appear on the share certificate. Shareholders with additional questions re