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GABELLI DIVIDEND & INCOME TRUST

Form N-Q

May 29, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF
REGISTERED MANAGEMENT INVESTMENT COMPANY

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: March 31, 2007

Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (ss.ss. 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q 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 the 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. SCHEDULE OF INVESTMENTS.

The Schedule(s) of Investments is attached herewith.

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THE GABELLI DIVIDEND & INCOME TRUST

First Quarter Report
March 31, 2007

TO OUR SHAREHOLDERS,

During the first quarter of 2007, The Gabelli Dividend & Income Trust's (the "Fund") total return rose 2.87% on a net asset value ("NAV") basis, compared to a gain of 0.64% for the Standard & Poor's ("S&P") 500 Index. The Fund's market price, adjusted for distributions, rose 1.64% during the first quarter of 2007. The Fund's market price on March 31, 2007 was \$21.51, which equates to a 10.41% discount to its NAV of \$24.01 at the end of the quarter.

Enclosed is the investment portfolio as of March 31, 2007.

COMPARATIVE RESULTS

AVERAGE ANNUAL RETURNS THROUGH MARCH 31, 2007 (A)

| | Quarter | 1 Year | 3 Y |
|-----------------------------------|---------|--------|--------|
| | ----- | ----- | ----- |
| GABELLI DIVIDEND & INCOME TRUST | | | |
| NAV TOTAL RETURN (B)..... | 2.87% | 18.46% | 14.00% |
| INVESTMENT TOTAL RETURN (C) | 1.64 | 26.26 | 11.00% |
| S&P 500 Index..... | 0.64 | 11.82 | 10.00% |
| Dow Jones Industrial Average..... | (0.28) | 13.77 | 8.00% |
| Nasdaq Composite Index..... | 0.26 | 3.50 | 6.00% |

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

THE GABELLI DIVIDEND & INCOME TRUST SCHEDULE OF INVESTMENTS MARCH 31, 2007 (UNAUDITED)

| SHARES | | MARKET |
|-------------|---|------------|
| ----- | | ----- |
| | COMMON STOCKS -- 89.6% | |
| | AEROSPACE -- 1.1% | |
| 10,000 | Goodrich Corp..... | \$ 514,800 |
| 60,000 | Kaman Corp..... | 1,398,600 |
| 90,000 | Rockwell Automation Inc..... | 5,388,300 |
| 2,000,000 | Rolls-Royce Group plc+..... | 19,452,148 |
| 118,400,000 | Rolls-Royce Group plc, Cl. B.. | 238,817 |
| | ----- | 26,992,665 |
| | AGRICULTURE -- 0.4% | |
| 90,000 | Archer-Daniels-Midland Co..... | 3,303,000 |
| 180,000 | Delta & Pine Land Co..... | 7,416,000 |
| | ----- | 10,719,000 |
| | AUTOMOTIVE -- 0.7% | |
| 400,000 | ADESA Inc..... | 11,052,000 |
| 28,000 | Copart Inc.+..... | 784,280 |
| 140,000 | General Motors Corp..... | 4,289,600 |
| 10,000 | Navistar International Corp.+. | 457,500 |
| | ----- | 16,583,380 |
| | AUTOMOTIVE: PARTS AND ACCESSORIES -- 0.8% | |
| 100,000 | Dana Corp.+..... | 87,500 |
| 395,000 | Genuine Parts Co..... | 19,355,000 |
| | ----- | 19,442,500 |
| | AVIATION: PARTS AND SERVICES -- 0.2% | |
| 50,000 | Sequa Corp., Cl. A+..... | 5,988,500 |
| | ----- | |
| | BROADCASTING -- 0.5% | |
| 370,000 | Clear Channel Communications Inc. | 12,964,800 |
| | ----- | |
| | BUILDING AND CONSTRUCTION -- 0.1% | |
| 10,000 | Florida Rock Industries Inc... | 672,900 |
| 15,000 | Layne Christensen Co.+..... | 546,300 |
| | ----- | 1,219,200 |
| | ----- | |

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| | | |
|-----------|---|------------|
| | CABLE AND SATELLITE -- 1.4% | |
| 401,300 | Cablevision Systems Corp., Cl. A+ | 12,211,559 |
| 14,200 | Cogeco Inc..... | 464,314 |
| 230,000 | EchoStar Communications Corp., Cl. A+ | 9,988,900 |
| 81,734 | Liberty Global Inc., Cl. A+... | 2,691,501 |
| 34,318 | Liberty Global Inc., Cl. C+... | 1,051,503 |
| 270,000 | Rogers Communications Inc., Cl. B | 8,845,200 |
| 30,000 | The DIRECTV Group Inc.+..... | 692,100 |
| | | ----- |
| | | 35,945,077 |
| | | ----- |
| | UNITS | |
| | ----- | |
| | CLOSED-END FUNDS -- 0.1% | |
| 47,125 | Bell Aliant Regional Communications Income Fund+ (a)(c)..... | 1,205,457 |
| | | ----- |
| | | |
| | | MARKET |
| | | VALUE |
| | | ----- |
| | COMMERCIAL SERVICES -- 0.0% | |
| 30,000 | PHH Corp.+..... | \$ 916,800 |
| | | ----- |
| | COMMUNICATIONS EQUIPMENT -- 0.0% | |
| 20,000 | Thomas & Betts Corp.+..... | 976,400 |
| | | ----- |
| | COMPUTER SOFTWARE AND SERVICES -- 1.8% | |
| 600,000 | Hyperion Solutions Corp.+.... | 31,098,000 |
| 20,000 | Kronos Inc.+..... | 1,070,000 |
| 210,000 | Mapinfo Corp.+..... | 4,227,300 |
| 170,000 | WebEx Communications Inc.+.... | 9,666,200 |
| | | ----- |
| | | 46,061,500 |
| | | ----- |
| | CONSUMER PRODUCTS -- 2.9% | |
| 300,000 | Alberto-Culver Co..... | 6,864,000 |
| 31,000 | Altadis SA..... | 1,990,636 |
| 10,000 | Altria Group Inc..... | 878,100 |
| 120,000 | Avon Products Inc..... | 4,471,200 |
| 40,000 | Eastman Kodak Co..... | 902,400 |
| 45,000 | Fortune Brands Inc..... | 3,546,900 |
| 190,000 | Gallaher Group plc, ADR..... | 16,957,500 |
| 55,000 | Hanesbrands Inc.+..... | 1,616,450 |
| 5,000 | Herbalife Ltd.+..... | 195,950 |
| 1,000 | Kimberly-Clark Corp..... | 68,490 |
| 135,000 | Mattel Inc..... | 3,721,950 |
| 175,000 | Procter & Gamble Co..... | 11,053,000 |
| 1,000,000 | Swedish Match AB..... | 17,865,326 |
| 60,000 | The Scotts Miracle-Gro Co., Cl. A | 2,641,800 |
| | | ----- |
| | | 72,773,702 |
| | | ----- |
| | CONSUMER SERVICES -- 0.3% | |
| 200,000 | Sabre Holdings Corp., Cl. A... | 6,550,000 |
| | | ----- |
| | DIVERSIFIED INDUSTRIAL -- 3.2% | |

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| | | |
|-----------|--------------------------------|------------|
| 160,000 | Bouygues SA..... | 12,364,579 |
| 230,000 | Cooper Industries Ltd., Cl. A. | 10,347,700 |
| 500,000 | General Electric Co..... | 17,680,000 |
| 275,000 | Honeywell International Inc... | 12,666,500 |
| 100,000 | ITT Corp..... | 6,032,000 |
| 2,000 | Pentair Inc..... | 62,320 |
| 116,000 | Sonoco Products Co..... | 4,359,280 |
| 1,000 | Textron Inc..... | 89,800 |
| 1,051,000 | Tomkins plc..... | 5,522,107 |
| 314,400 | Tyco International Ltd..... | 9,919,320 |
| 120,000 | WHX Corp.+..... | 1,020,000 |
| | | ----- |
| | | 80,063,606 |
| | | ----- |
| | ELECTRONICS -- 0.9% | |
| 1,075,000 | Intel Corp..... | 20,564,750 |
| 279,699 | Trans-Lux Corp..... | 2,055,788 |
| | | ----- |
| | | 22,620,538 |
| | | ----- |

See accompanying notes to schedule of investments.

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THE GABELLI DIVIDEND & INCOME TRUST
SCHEDULE OF INVESTMENTS (CONTINUED)
MARCH 31, 2007 (UNAUDITED)

| SHARES | | MARKET |
|---------|--|--------------|
| ----- | | VALUE |
| ----- | | ----- |
| | COMMON STOCKS (CONTINUED) | |
| | ENERGY AND UTILITIES: ELECTRIC -- 5.5% | |
| 30,000 | Allegheny Energy Inc.+..... | \$ 1,474,200 |
| 105,000 | ALLETE Inc..... | 4,895,100 |
| 290,000 | American Electric Power | |
| | Co. Inc. | 14,137,500 |
| 425,000 | DPL Inc..... | 13,213,250 |
| 17,500 | DTE Energy Co..... | 838,250 |
| 250,000 | Duquesne Light Holdings Inc... | 4,947,500 |
| 275,000 | Electric Power Development | |
| | Co. Ltd. | 13,838,680 |
| 220,000 | FPL Group Inc..... | 13,457,400 |
| 600,000 | Great Plains Energy Inc..... | 19,470,000 |
| 380,000 | Integrays Energy Group Inc..... | 21,093,800 |
| 150,000 | Pepco Holdings Inc..... | 4,353,000 |
| 240,000 | Pinnacle West Capital Corp.... | 11,580,000 |
| 110,000 | The Southern Co..... | 4,031,500 |
| 286,000 | Unisource Energy Corp..... | 10,739,300 |
| | | ----- |
| | | 138,069,480 |
| | | ----- |
| | ENERGY AND UTILITIES: INTEGRATED -- 9.6% | |
| 12,000 | Alliant Energy Corp..... | 537,840 |
| 170,000 | Ameren Corp..... | 8,551,000 |
| 300,000 | Aquila Inc.+..... | 1,254,000 |
| 50,000 | Avista Corp..... | 1,211,500 |
| 15,000 | Black Hills Corp..... | 551,550 |
| 33,000 | CH Energy Group Inc..... | 1,606,770 |

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| | | |
|---------|--|---------------|
| 108,000 | Chubu Electric Power Co. Inc.. | 3,711,813 |
| 278,000 | CONSOL Energy Inc..... | 10,878,140 |
| 200,000 | Consolidated Edison Inc..... | 10,212,000 |
| 20,000 | Dominion Resources Inc..... | 1,775,400 |
| 350,000 | Duke Energy Corp..... | 7,101,500 |
| 430,000 | Edison SpA..... | 1,242,168 |
| 300,000 | El Paso Corp..... | 4,341,000 |
| 95,000 | Endesa SA..... | 5,137,124 |
| 300,000 | Enel SpA..... | 3,210,035 |
| 47,000 | Enel SpA, ADR..... | 2,514,500 |
| 139,500 | Energy East Corp..... | 3,398,220 |
| 170,000 | FirstEnergy Corp..... | 11,260,800 |
| 130,000 | Hawaiian Electric Industries Inc. | 3,378,700 |
| 250,000 | Hera SpA..... | 1,051,978 |
| 121,500 | Hokkaido Electric Power Co. Inc. | 3,227,215 |
| 121,500 | Hokuriku Electric Power Co.... | 2,685,909 |
| 80,500 | Korea Electric Power Corp., ADR | 1,610,000 |
| 121,500 | Kyushu Electric Power Co. Inc. | 3,454,048 |
| 19,000 | Maine & Maritimes Corp.+..... | 361,000 |
| 74,000 | MGE Energy Inc..... | 2,624,040 |
| 35,102 | National Grid plc, ADR..... | 2,766,389 |
| 255,000 | NiSource Inc..... | 6,232,200 |
| 600,000 | NSTAR..... | 21,072,000 |
| 482,700 | OGE Energy Corp..... | 18,728,760 |
| 37,000 | Ormat Technologies Inc..... | 1,552,520 |
| | | MARKET |
| SHARES | | VALUE |
| ----- | | ----- |
| 330,000 | Progress Energy Inc..... | \$ 16,645,200 |
| 180,000 | Public Service Enterprise Group Inc. | 14,947,200 |
| 174,603 | Scottish Power plc, ADR..... | 10,963,322 |
| 121,500 | Shikoku Electric Power Co. Inc. | 2,902,431 |
| 15,000 | TECO Energy Inc..... | 258,150 |
| 121,500 | The Chugoku Electric Power Co. Inc. | 2,716,841 |
| 30,000 | The Empire District Electric Co. | 744,000 |
| 121,500 | The Kansai Electric Power Co. Inc. | 3,495,290 |
| 108,000 | The Tokyo Electric Power Co. Inc. | 3,693,483 |
| 121,500 | Tohoku Electric Power Co. Inc. | 3,082,866 |
| 90,000 | TXU Corp..... | 5,769,000 |
| 205,000 | Vectren Corp..... | 5,863,000 |
| 470,000 | Westar Energy Inc..... | 12,934,400 |
| 85,000 | Wisconsin Energy Corp..... | 4,124,200 |
| 250,000 | Xcel Energy Inc..... | 6,172,500 |
| | | ----- |
| | | 241,552,002 |
| | | ----- |
| | ENERGY AND UTILITIES: NATURAL GAS -- | 5.7% |
| 8,500 | AGL Resources Inc..... | 363,120 |
| 90,000 | Atmos Energy Corp..... | 2,815,200 |
| 16,500 | Delta Natural Gas Co. Inc..... | 412,500 |
| 6,000 | Energen Corp..... | 305,340 |

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| | | |
|---------|---|-------------|
| 500,000 | KeySpan Corp..... | 20,575,000 |
| 20,000 | Kinder Morgan Energy Partners LP | 1,053,600 |
| 450,000 | Kinder Morgan Inc..... | 47,902,500 |
| 340,000 | National Fuel Gas Co..... | 14,708,400 |
| 215,000 | Nicor Inc..... | 10,410,300 |
| 220,000 | ONEOK Inc..... | 9,900,000 |
| 300,000 | SEMCO Energy Inc.+..... | 2,286,000 |
| 200,000 | Sempra Energy..... | 12,202,000 |
| 30,000 | South Jersey Industries Inc... | 1,141,500 |
| 70,000 | Southern Union Co..... | 2,127,300 |
| 150,000 | Southwest Gas Corp..... | 5,830,500 |
| 340,000 | Spectra Energy Corp..... | 8,931,800 |
| 60,000 | The Laclede Group Inc..... | 1,864,800 |
| | | ----- |
| | | 142,829,860 |
| | | ----- |
| | ENERGY AND UTILITIES: OIL -- 13.1% | |
| 135,000 | ABB Ltd., ADR..... | 2,319,300 |
| 20,000 | Anadarko Petroleum Corp..... | 859,600 |
| 40,000 | Apache Corp..... | 2,828,000 |
| 20,000 | Baker Hughes Inc..... | 1,322,600 |
| 46,900 | BG Group plc, ADR..... | 3,363,668 |
| 160,000 | BP plc, ADR..... | 10,360,000 |
| 40,000 | Cameron International Corp.+.. | 2,511,600 |
| 140,000 | Chesapeake Energy Corp..... | 4,323,200 |
| 319,000 | Chevron Corp..... | 23,593,240 |
| 1,000 | Cimarex Energy Co..... | 37,020 |
| 417,000 | ConocoPhillips..... | 28,501,950 |
| 78,000 | Devon Energy Corp..... | 5,399,160 |

See accompanying notes to schedule of investments.

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THE GABELLI DIVIDEND & INCOME TRUST
SCHEDULE OF INVESTMENTS (CONTINUED)
MARCH 31, 2007 (UNAUDITED)

| SHARES | | MARKET VALUE |
|---------|---------------------------------------|-----------------|
| ----- | | ----- |
| | COMMON STOCKS (CONTINUED) | |
| | ENERGY AND UTILITIES: OIL (CONTINUED) | |
| 275,000 | Diamond Offshore Drilling Inc. \$ | 22,261,250 |
| 187,500 | Eni SpA, ADR..... | 12,155,625 |
| 225,000 | Exxon Mobil Corp..... | 16,976,250 |
| 76,000 | Giant Industries Inc.+..... | 5,749,400 |
| 640,000 | Halliburton Co..... | 20,313,600 |
| 37,667 | Hanover Compressor Co.+..... | 838,093 |
| 30,000 | Hess Corp..... | 1,664,100 |
| 120,000 | Hydril Co.+..... | 11,548,800 |
| 30,000 | Lone Star Technologies Inc.+.. | 1,980,900 |
| 290,000 | Marathon Oil Corp..... | 28,660,700 |
| 150,000 | Murphy Oil Corp..... | 8,010,000 |
| 4,000 | Nabors Industries Ltd.+..... | 118,680 |
| 1,000 | Niko Resources Ltd..... | 72,707 |
| 5,000 | Noble Corp..... | 393,400 |
| 375,000 | Occidental Petroleum Corp..... | 18,491,250 |
| 14,000 | Oceanering International Inc.+ | 589,680 |

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| | | |
|---------|--|-------------|
| 30,000 | PetroChina Co. Ltd., ADR..... | 3,512,700 |
| 280,000 | Repsol YPF SA, ADR..... | 9,391,200 |
| 200,000 | Royal Dutch Shell plc, Cl. A, ADR | 13,260,000 |
| 120,000 | Schlumberger Ltd..... | 8,292,000 |
| 900,000 | Statoil ASA, ADR..... | 24,372,000 |
| 200,000 | Sunoco Inc..... | 14,088,000 |
| 200,000 | Total SA, ADR..... | 13,956,000 |
| 90,000 | Transocean Inc.+..... | 7,353,000 |
| | | ----- |
| | | 329,468,673 |
| | | ----- |
| | ENERGY AND UTILITIES: WATER -- 0.3% | |
| 11,000 | American States Water Co..... | 405,570 |
| 53,333 | Aqua America Inc..... | 1,197,326 |
| 6,000 | Artesian Resources Corp., Cl. A | 123,600 |
| 3,000 | California Water Service Group | 114,960 |
| 11,500 | Connecticut Water Service Inc. | 276,575 |
| 1,000 | Consolidated Water Co. Ltd.... | 23,710 |
| 6,000 | Middlesex Water Co..... | 110,340 |
| 21,466 | Pennichuck Corp..... | 494,147 |
| 83,000 | SJW Corp..... | 3,359,840 |
| 16,800 | Southwest Water Co..... | 242,256 |
| 5,000 | Suez SA..... | 263,696 |
| 168,000 | Suez SA, Strips+..... | 2,244 |
| 36,000 | United Utilities plc, ADR..... | 1,069,200 |
| 9,000 | York Water Co..... | 152,100 |
| | | ----- |
| | | 7,835,564 |
| | | ----- |
| | ENTERTAINMENT -- 0.6% | |
| 8,000 | Grupo Televisa SA, ADR..... | 238,400 |
| 350,000 | Time Warner Inc..... | 6,902,000 |
| 200,000 | Vivendi..... | 8,127,279 |
| | | ----- |
| | | 15,267,679 |
| | | ----- |
| | | MARKET |
| SHARES | | VALUE |
| ----- | | ----- |
| | ENVIRONMENTAL SERVICES -- 0.7% | |
| 180,000 | Allied Waste Industries Inc.+ \$ | 2,266,200 |
| 1,000 | Hyflux Ltd..... | 1,747 |
| 11,000 | Veolia Environnement..... | 817,884 |
| 450,000 | Waste Management Inc..... | 15,484,500 |
| | | ----- |
| | | 18,570,331 |
| | | ----- |
| | EQUIPMENT AND SUPPLIES -- 1.4% | |
| 110,000 | CIRCOR International Inc..... | 3,927,000 |
| 30,000 | Lufkin Industries Inc..... | 1,685,400 |
| 60,000 | Mueller Industries Inc..... | 1,806,000 |
| 420,000 | RPC Inc..... | 6,997,200 |
| 325,000 | Weatherford International Ltd.+ | 14,657,500 |
| 300,000 | Xerox Corp.+..... | 5,067,000 |
| | | ----- |
| | | 34,140,100 |
| | | ----- |
| | FINANCIAL SERVICES -- 15.1% | |

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| | | |
|---------|---|------------|
| 185,000 | AllianceBernstein Holding LP.. | 16,372,500 |
| 380,000 | American Express Co..... | 21,432,000 |
| 300,000 | American International Group Inc. | 20,166,000 |
| 70,000 | Ameriprise Financial Inc..... | 3,999,800 |
| 42,000 | Astoria Financial Corp..... | 1,116,780 |
| 385,000 | Bank of America Corp..... | 19,642,700 |
| 5,000 | BlackRock Inc..... | 781,550 |
| 60,000 | Capital One Financial Corp.... | 4,527,600 |
| 81,000 | CIT Group Inc..... | 4,286,520 |
| 600,000 | Citigroup Inc..... | 30,804,000 |
| 230,000 | Commerce Bancorp Inc..... | 7,677,400 |
| 60,000 | Compass Bancshares Inc..... | 4,128,000 |
| 30,000 | Deutsche Bank AG..... | 4,036,200 |
| 80,000 | Fannie Mae..... | 4,366,400 |
| 48,909 | Fidelity National Financial Inc., Cl. A | 1,174,305 |
| 21,496 | Fidelity National Information Services Inc. | 977,208 |
| 160,000 | Fifth Third Bancorp..... | 6,190,400 |
| 100,000 | First Horizon National Corp... | 4,153,000 |
| 89,300 | First Republic Bank..... | 4,795,410 |
| 50,000 | Flushing Financial Corp..... | 811,500 |
| 27,000 | Hartford Financial Services Group Inc. | 2,580,660 |
| 40,000 | Hudson City Bancorp Inc..... | 547,200 |
| 6,000 | Investors Financial Services Corp. | 348,900 |
| 470,000 | JPMorgan Chase & Co..... | 22,738,600 |
| 50,000 | Legg Mason Inc..... | 4,710,500 |
| 10,000 | Lehman Brothers Holdings Inc.. | 700,700 |
| 10,000 | Marshall & Ilsley Corp..... | 463,100 |
| 122,000 | Merrill Lynch & Co. Inc..... | 9,963,740 |
| 135,000 | Morgan Stanley..... | 10,632,600 |
| 68,733 | National Australia Bank Ltd., ADR | 11,193,169 |
| 190,000 | New York Community Bancorp Inc. | 3,342,100 |
| 80,000 | NewAlliance Bancshares Inc.... | 1,296,800 |

See accompanying notes to schedule of investments.

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THE GABELLI DIVIDEND & INCOME TRUST
SCHEDULE OF INVESTMENTS (CONTINUED)
MARCH 31, 2007 (UNAUDITED)

| SHARES | | MARKET |
|---------|---|---------------|
| ----- | | VALUE |
| | | ----- |
| | COMMON STOCKS (CONTINUED) | |
| | FINANCIAL SERVICES (CONTINUED) | |
| 200,000 | PNC Financial Services Group Inc. | \$ 14,394,000 |
| 300,000 | Popular Inc..... | 4,968,000 |
| 227,259 | Regions Financial Corp..... | 8,038,151 |
| 556,220 | Sovereign Bancorp Inc..... | 14,150,237 |
| 25,050 | Sterling Bancorp..... | 453,405 |
| 100,000 | T. Rowe Price Group Inc..... | 4,719,000 |
| 364,200 | TD Banknorth Inc..... | 11,712,672 |

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| | | |
|---------|---|------------|
| 60,000 | The Allstate Corp..... | 3,603,600 |
| 350,000 | The Bank of New York Co. Inc.. | 14,192,500 |
| 4,000 | The Progressive Corp..... | 87,280 |
| 290,000 | The Travelers Companies Inc... | 15,013,300 |
| 5,000 | Unitrin Inc..... | 235,350 |
| 15,214 | Valley National Bancorp..... | 384,153 |
| 260,000 | Wachovia Corp..... | 14,313,000 |
| 425,000 | Waddell & Reed Financial Inc., Cl. A | 9,911,000 |
| 10,000 | Washington Mutual Inc..... | 403,800 |
| 3,500 | Webster Financial Corp..... | 168,035 |
| 450,000 | Wells Fargo & Co..... | 15,493,500 |
| 85,200 | Wilmington Trust Corp..... | 3,592,884 |
| 167,000 | Zions Bancorporation..... | 14,114,840 |

379,906,049

FOOD AND BEVERAGE -- 6.3%

| | | |
|---------|--------------------------------|------------|
| 170,000 | Anheuser-Busch Companies Inc.. | 8,578,200 |
| 214,000 | Cadbury Schweppes plc, ADR.... | 10,993,180 |
| 50,000 | Campbell Soup Co..... | 1,947,500 |
| 1,000 | China Mengniu Dairy Co. Ltd... | 2,860 |
| 185,000 | ConAgra Foods Inc..... | 4,608,350 |
| 800,000 | Davide Campari-Milano SpA..... | 7,876,141 |
| 13,000 | Dean Foods Co.+..... | 607,620 |
| 300,000 | General Mills Inc..... | 17,466,000 |
| 200,000 | Groupe Danone..... | 32,674,762 |
| 105,000 | H.J. Heinz Co..... | 4,947,600 |
| 20,000 | ITO EN Ltd..... | 651,731 |
| 1,000 | Kellogg Co..... | 51,430 |
| 40,000 | Kikkoman Corp..... | 512,559 |
| 30,000 | Kraft Foods Inc., Cl. A..... | 949,800 |
| 250,000 | Nissin Food Products Co. Ltd.. | 9,164,970 |
| 500,000 | Parmalat SpA+..... | 2,147,370 |
| 339,450 | Parmalat SpA, GDR+ (a)..... | 1,452,710 |
| 343,700 | PepsiAmericas Inc..... | 7,671,384 |
| 20,000 | PepsiCo Inc..... | 1,271,200 |
| 1,500 | Pernod-Ricard SA..... | 304,212 |
| 2,000 | Remy Cointreau SA..... | 134,974 |
| 900,000 | Sara Lee Corp..... | 15,228,000 |
| 290,000 | The Coca-Cola Co..... | 13,920,000 |
| 100,000 | The Hershey Co..... | 5,466,000 |
| 62,000 | Wm. Wrigley Jr. Co..... | 3,157,660 |

MARKET

VALUE

SHARES

| | | |
|---------|--------------------------------|------------|
| 3,000 | Wm. Wrigley Jr. Co., Cl. B.... | \$ 152,400 |
| 300,000 | YAKULT HONSHA Co. Ltd..... | 7,662,933 |

159,601,546

HEALTH CARE -- 3.7%

| | | |
|---------|--|------------|
| 115,000 | Bristol-Myers Squibb Co..... | 3,192,400 |
| 180,000 | Eli Lilly & Co..... | 9,667,800 |
| 10,000 | Health Management Associates Inc., Cl. A..... | 108,700 |
| 110,000 | IMS Health Inc..... | 3,262,600 |
| 220,000 | Merck & Co. Inc..... | 9,717,400 |
| 300,000 | New River Pharmaceuticals Inc.+ | 19,089,000 |
| 140,000 | Owens & Minor Inc..... | 5,142,200 |

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| | | |
|---------|---|------------|
| 900,000 | Pfizer Inc..... | 22,734,000 |
| 190,000 | Sierra Health Services Inc.+.. | 7,822,300 |
| 60,000 | Triad Hospitals Inc.+..... | 3,135,000 |
| 120,000 | Wyeth..... | 6,003,600 |
| 46,000 | Zimmer Holdings Inc.+..... | 3,928,860 |
| | | ----- |
| | | 93,803,860 |
| | | ----- |
| | HOTELS AND GAMING -- 1.3% | |
| 35,000 | Four Seasons Hotels Inc..... | 2,810,500 |
| 90,000 | Harrah's Entertainment Inc.... | 7,600,500 |
| 410,000 | Hilton Hotels Corp..... | 14,743,600 |
| 705,882 | Ladbrokes plc..... | 5,590,992 |
| 40,000 | Pinnacle Entertainment Inc.+.. | 1,162,800 |
| 10,000 | Station Casinos Inc..... | 865,700 |
| | | ----- |
| | | 32,774,092 |
| | | ----- |
| | MACHINERY -- 0.2% | |
| 150,000 | CNH Global NV..... | 5,593,500 |
| 20,000 | Intermec Inc.+..... | 446,800 |
| | | ----- |
| | | 6,040,300 |
| | | ----- |
| | MANUFACTURED HOUSING AND RECREATIONAL VEHICLES -- 0.0% | |
| 2,000 | Skyline Corp..... | 67,480 |
| | | ----- |
| | METALS AND MINING -- 0.9% | |
| 50,000 | Alcoa Inc..... | 1,695,000 |
| 10,000 | Alliance Holdings GP LP..... | 234,900 |
| 20,000 | Arch Coal Inc..... | 613,800 |
| 8,000 | BHP Billiton Ltd., ADR..... | 387,600 |
| 3,000 | Fording Canadian Coal Trust... | 66,300 |
| 100,000 | Freeport-McMoRan Copper & Gold Inc. | 6,619,000 |
| 10,000 | Massey Energy Co..... | 239,900 |
| 240,000 | Novelis Inc..... | 10,586,400 |
| 25,000 | Peabody Energy Corp..... | 1,006,000 |
| 1,000 | Rio Tinto plc, ADR..... | 227,810 |
| 3,000 | Westmoreland Coal Co.+..... | 60,450 |
| | | ----- |
| | | 21,737,160 |
| | | ----- |

See accompanying notes to schedule of investments.

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THE GABELLI DIVIDEND & INCOME TRUST
SCHEDULE OF INVESTMENTS (CONTINUED)
MARCH 31, 2007 (UNAUDITED)

| SHARES | | MARKET VALUE |
|---------|-----------------------------------|-----------------|
| ----- | | ----- |
| | COMMON STOCKS (CONTINUED) | |
| | PAPER AND FOREST PRODUCTS -- 0.3% | |
| 200,000 | International Paper Co..... | \$ 7,280,000 |

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| | | |
|---------|---|------------|
| | | ----- |
| | PUBLISHING -- 0.2% | |
| 135,000 | Dow Jones & Co. Inc..... | 4,653,450 |
| 38,500 | Idearc Inc..... | 1,351,350 |
| | | ----- |
| | | 6,004,800 |
| | | ----- |
| | REAL ESTATE -- 0.7% | |
| 12,000 | Brookfield Asset Management Inc., Cl. A | 627,120 |
| 600,000 | Realogy Corp.+..... | 17,766,000 |
| | | ----- |
| | | 18,393,120 |
| | | ----- |
| | REAL ESTATE INVESTMENT TRUSTS -- 0.8% | |
| 300,000 | Longview Fibre Co..... | 7,389,000 |
| 400,000 | New Plan Excel Realty Trust... | 13,212,000 |
| 1,000 | Primaris Retail Real Estate Investment Trust..... | 17,601 |
| 10,000 | Winston Hotels Inc..... | 150,300 |
| | | ----- |
| | | 20,768,901 |
| | | ----- |
| | RESTAURANTS -- 0.0% | |
| 1,000 | Smith & Wollensky Restaurant Group Inc.+ | 9,980 |
| | | ----- |
| | RETAIL -- 1.3% | |
| 30,000 | CVS/Caremark Corp..... | 1,024,200 |
| 250,000 | Dollar General Corp..... | 5,287,500 |
| 142,000 | Ingles Markets Inc., Cl. A.... | 5,799,280 |
| 410,000 | Safeway Inc..... | 15,022,400 |
| 22,000 | Saks Inc..... | 458,480 |
| 310,000 | Sally Beauty Holdings Inc.+... | 2,848,900 |
| 80,000 | SUPERVALU Inc..... | 3,125,600 |
| | | ----- |
| | | 33,566,360 |
| | | ----- |
| | SPECIALTY CHEMICALS -- 1.8% | |
| 5,000 | Arkema, ADR+..... | 285,665 |
| 170,000 | Ashland Inc..... | 11,152,000 |
| 140,000 | E.I. du Pont de Nemours & Co.. | 6,920,200 |
| 230,000 | Ferro Corp..... | 4,970,300 |
| 250,000 | MacDermid Inc..... | 8,717,500 |
| 100,000 | Olin Corp..... | 1,694,000 |
| 225,000 | The Dow Chemical Co..... | 10,318,500 |
| 18,146 | Tronox Inc., Cl. B..... | 253,681 |
| | | ----- |
| | | 44,311,846 |
| | | ----- |
| | TELECOMMUNICATIONS -- 4.7% | |
| 405,000 | AT&T Inc..... | 15,969,150 |
| 600,000 | BCE Inc..... | 16,968,000 |
| 74,000 | BT Group plc, ADR..... | 4,440,740 |
| 2,000 | CenturyTel Inc..... | 90,380 |
| | | |
| | | MARKET |
| SHARES | | VALUE |
| ----- | | ----- |
| 50,000 | Compania de Telecomunicaciones de Chile SA, ADR..... | \$ 466,000 |

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| | | |
|---------|---|---------------|
| 100,000 | Deutsche Telekom AG, ADR..... | 1,653,000 |
| 30,000 | Embarq Corp..... | 1,690,500 |
| 55,000 | France Telecom SA, ADR..... | 1,452,000 |
| 210,000 | Hellenic Telecommunications Organization SA, ADR+..... | 2,887,500 |
| 250,000 | Portugal Telecom SGPS SA..... | 3,349,630 |
| 50,000 | Portugal Telecom SGPS SA, ADR. | 672,000 |
| 90,000 | Qwest Communications International Inc.+..... | 809,100 |
| 840,000 | Sprint Nextel Corp..... | 15,926,400 |
| 15,000 | Telecom Corp. of New Zealand Ltd., ADR | 408,000 |
| 200,000 | Telecom Italia SpA, ADR..... | 5,732,000 |
| 26,000 | Telefonica SA, ADR..... | 1,726,400 |
| 220,000 | Telefonos de Mexico SAB de CV, Cl. L, ADR..... | 7,348,000 |
| 130,000 | Telstra Corp. Ltd., ADR..... | 2,455,700 |
| 68,000 | TELUS Corp., Non-Voting..... | 3,396,316 |
| 760,000 | Verizon Communications Inc.... | 28,819,200 |
| 100,000 | Vodafone Group plc, ADR..... | 2,686,000 |
| | | ----- |
| | | 118,946,016 |
| | | ----- |
| | TRANSPORTATION -- 0.6% | |
| 3,000 | EGL Inc.+..... | 118,890 |
| 4,000 | Frontline Ltd..... | 142,000 |
| 260,000 | GATX Corp..... | 12,428,014 |
| 10,000 | General Maritime Corp..... | 288,800 |
| 24,000 | Golden Ocean Group Ltd..... | 48,369 |
| 3,001 | Ship Finance International Ltd. | 82,312 |
| 30,000 | Teekay Shipping Corp..... | 1,623,300 |
| | | ----- |
| | | 14,731,685 |
| | | ----- |
| | WIRELESS COMMUNICATIONS -- 0.4% | |
| 14,000 | Crown Castle International Corp.+ | 449,820 |
| 110,000 | United States Cellular Corp.+. | 8,079,500 |
| 3,000 | Vimpel-Communications, ADR+... | 284,520 |
| | | ----- |
| | | 8,813,840 |
| | | ----- |
| | TOTAL COMMON STOCKS..... | 2,255,513,849 |
| | | ----- |
| | CONVERTIBLE PREFERRED STOCKS -- 1.6% | |
| | AEROSPACE -- 0.0% | |
| | 8,200 Northrop Grumman Corp., 7.000% Cv. Pfd., Ser. B..... | 1,160,300 |
| | | ----- |
| | AUTOMOTIVE -- 0.0% | |
| 16,000 | General Motors Corp., 4.500% Cv. Pfd., Ser. A.... | 342,720 |
| | | ----- |
| | BROADCASTING -- 0.0% | |
| 20,460 | Emmis Communications Corp., 6.250% Cv. Pfd., Ser. A.... | 913,232 |
| | | ----- |

See accompanying notes to schedule of investments.

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THE GABELLI DIVIDEND & INCOME TRUST
SCHEDULE OF INVESTMENTS (CONTINUED)
MARCH 31, 2007 (UNAUDITED)

| SHARES ----- | | MARKET VALUE ----- |
|-----------------|--|--------------------------|
| | CONVERTIBLE PREFERRED STOCKS (CONTINUED) | |
| | BUILDING AND CONSTRUCTION -- 0.0% | |
| 200 | Fleetwood Capital Trust, 6.000% Cv. Pfd..... | \$ 6,675 |
| | | ----- |
| | DIVERSIFIED INDUSTRIAL -- 0.3% | |
| 179,400 | Owens-Illinois Inc., 4.750% Cv. Pfd..... | 6,871,020 |
| 80,000 | Smurfit-Stone Container Corp., 7.000% Cv. Pfd., Ser. A.... | 1,908,000 |
| | | ----- |
| | | 8,779,020 |
| | | ----- |
| | ENERGY AND UTILITIES -- 0.4% | |
| 5,000 | Chesapeake Energy Corp., 5.000% Cv. Pfd. (a)..... | 682,200 |
| 20,000 | CMS Energy Corp., 4.500% Cv. Pfd., Ser. B.... | 1,860,000 |
| 130,000 | El Paso Energy Capital Trust I, 4.750% Cv. Pfd., Ser. C.... | 5,200,000 |
| 16,534 | Hanover Compressor Capital Trust, 7.250% Cv. Pfd..... | 1,070,577 |
| | | ----- |
| | | 8,812,777 |
| | | ----- |
| | ENTERTAINMENT -- 0.1% | |
| 105,000 | Six Flags Inc., 7.250% Cv. Pfd., Ser. B.... | 2,457,000 |
| | | ----- |
| | FINANCIAL SERVICES -- 0.3% | |
| 1,500 | Doral Financial Corp., 4.750% Cv. Pfd..... | 162,750 |
| 137,000 | Newell Financial Trust I, 5.250% Cv. Pfd..... | 6,576,000 |
| | | ----- |
| | | 6,738,750 |
| | | ----- |
| | HEALTH CARE -- 0.0% | |
| 10,000 | Omnicare Inc., 4.000% Cv. Pfd., Ser. B.... | 549,250 |
| | | ----- |
| | TELECOMMUNICATIONS -- 0.4% | |
| 50,000 | Cincinnati Bell Inc., 6.750% Cv. Pfd., Ser. B.... | 2,337,500 |
| 121,000 | Crown Castle International Corp., 6.250% Cv. Pfd..... | 6,927,250 |
| | | ----- |
| | | 9,264,750 |
| | | ----- |
| | TRANSPORTATION -- 0.1% | |
| 1,500 | GATX Corp., | |

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| | | |
|--------------|---|-----------------|
| | \$2.50 Cv. Pfd..... | 360,068 |
| 982 | Kansas City Southern, 4.250% Cv. Pfd..... | 1,172,054 |
| | | ----- |
| | | 1,532,122 |
| | | ----- |
| | TOTAL CONVERTIBLE PREFERRED STOCKS..... | 40,556,596 |
| | | ----- |
| | PRINCIPAL AMOUNT | MARKET VALUE |
| | ----- | ----- |
| | CONVERTIBLE CORPORATE BONDS -- 1.6% | |
| | AEROSPACE -- 0.1% | |
| \$ 1,000,000 | GenCorp Inc., Sub. Deb. Cv., 5.750%, 04/15/07..... | \$ 1,035,000 |
| | | ----- |
| | AUTOMOTIVE: PARTS AND ACCESSORIES -- 0.0% | |
| 500,000 | Standard Motor Products Inc., Sub. Deb. Cv., 6.750%, 07/15/09..... | 490,000 |
| | | ----- |
| | BROADCASTING -- 0.5% | |
| 100,000 | Lin Television Corp., Sub. Deb. Cv., 2.500%, 05/15/33..... | 96,500 |
| 13,000,000 | Sinclair Broadcast Group Inc., Sub. Deb. Cv., 6.000%, 09/15/12..... | 12,723,750 |
| | | ----- |
| | | 12,820,250 |
| | | ----- |
| | COMMUNICATIONS EQUIPMENT -- 0.4% | |
| 10,000,000 | Agere Systems Inc., Sub. Deb. Cv., 6.500%, 12/15/09..... | 10,287,500 |
| | | ----- |
| | ENTERTAINMENT -- 0.1% | |
| 1,500,000 | The Walt Disney Co., Cv., 2.125%, 04/15/23..... | 1,820,625 |
| | | ----- |
| | FINANCIAL SERVICES -- 0.0% | |
| 250,000 | AON Corp., Deb. Cv., 3.500%, 11/15/12..... | 444,375 |
| | | ----- |
| | HEALTH CARE -- 0.2% | |
| 5,600,000 | ICOS Corp., Sub. Deb. Cv., 2.000%, 07/01/23..... | 5,579,000 |
| | | ----- |
| | REAL ESTATE -- 0.0% | |
| 100,000 | Palm Harbor Homes Inc., Cv., 3.250%, 05/15/24..... | 83,875 |
| 1,000,000 | 3.250%, 05/15/24 (a)..... | 838,750 |
| | | ----- |
| | | 922,625 |
| | | ----- |
| | TELECOMMUNICATIONS -- 0.3% | |
| 6,000,000 | Nortel Networks Corp., Cv., 4.250%, 09/01/08..... | 5,955,000 |
| | | ----- |
| | TOTAL CONVERTIBLE CORPORATE BONDS..... | 39,354,375 |
| | | ----- |
| | SHARES | |

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| | | |
|-------|---------------------------------|-------|
| ----- | WARRANTS -- 0.0% | |
| | FOOD AND BEVERAGE -- 0.0% | |
| 650 | Parmalat SpA, GDR, | |
| | expire 12/31/15+ (a) (b) (c) .. | 0 |
| | | ----- |

See accompanying notes to schedule of investments.

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THE GABELLI DIVIDEND & INCOME TRUST
SCHEDULE OF INVESTMENTS (CONTINUED)
MARCH 31, 2007 (UNAUDITED)

| PRINCIPAL AMOUNT | | MARKET VALUE |
|---------------------|---|-----------------|
| ----- | | ----- |
| | SHORT-TERM OBLIGATIONS -- 7.2% | |
| | REPURCHASE AGREEMENTS -- 7.1% | |
| \$100,000,000 | Barclays Capital Inc., 5.080%, dated 03/30/07, due 04/02/07, proceeds at maturity, \$100,042,333 (d)..... | \$ 100,000,000 |
| 80,000,000 | Daiwa Securities America Inc., 5.130%, dated 03/30/07, due 04/02/07, proceeds at maturity, \$80,034,200 (e)... | 80,000,000 |
| | | ----- |
| | | 180,000,000 |
| | | ----- |
| | U.S. TREASURY BILLS -- 0.1% | |
| 1,775,000 | U.S. Treasury Bills, 5.030% to 5.042%+, 06/21/07 to 06/28/07..... | 1,755,409 |
| | | ----- |
| | TOTAL SHORT-TERM OBLIGATIONS | 181,755,409 |
| | | ----- |
| | TOTAL INVESTMENTS -- 100.0% | |
| | (Cost \$2,087,161,462)..... | \$2,517,180,229 |
| | | ===== |
| ----- | | |
| | Aggregate book cost..... | \$2,087,161,462 |
| | | ===== |
| | Gross unrealized appreciation.... | \$ 452,857,660 |
| | Gross unrealized depreciation.... | (22,838,893) |
| | | ----- |
| | Net unrealized appreciation (depreciation) | \$ 430,018,767 |
| | | ===== |

- (a) 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 March 31, 2007, the market value of Rule 144A securities amounted to \$4,179,117 or 0.17% of total investments. Except as noted in (b), these securities are liquid.
- (b) At March 31, 2007, the Fund held an investment in a restricted and

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illiquid security amounting to \$0 or 0.00% of total investments, which was valued under methods approved by the Board, as follows:

| ACQUISITION | ACQUISITION | ACQUISITION | 03/31/07 |
|-------------|------------------------------|-------------|----------------|
| SHARES | ISSUER | DATE | CARRYING VALUE |
| ----- | ----- | ---- | ----- |
| COST | | | PER UNIT |
| ----- | | | ----- |
| 650 | Parmalat SpA, GDR | 11/09/05 | |
| | warrants expire 12/31/15 ... | | |
| | | \$0.0 | \$0.0000 |

- (c) Security fair valued under procedures established by the Board of Trustees. The procedures may include reviewing available financial information about the company and reviewing valuation of comparable securities and other factors on a regular basis. At March 31, 2007, the market value of the fair valued securities amounted to \$1,205,457 or 0.05% of total investments.
- (d) Collateralized by \$80,780,000 U.S. Treasury Bond, 7.250%, due 08/15/22, market value \$102,000,000.
- (e) Collateralized by \$82,633,000 U.S. Treasury Bond, 3.875%, due 07/15/10, market value \$81,600,088.
- + Non-income producing security.
- ++ Represents annualized yield at date of purchase.
- ADR American Depository Receipt
- GDR Global Depository Receipt

| GEOGRAPHIC DIVERSIFICATION | % OF MARKET VALUE | MARKET VALUE |
|----------------------------|-------------------------|-----------------|
| ----- | ----- | ----- |
| North America..... | 82.6% | \$2,078,622,011 |
| Europe..... | 11.8 | 296,936,033 |
| Latin America..... | 2.4 | 60,800,768 |
| Japan..... | 2.4 | 59,629,201 |
| Asia/Pacific..... | 0.8 | 21,192,216 |
| Total Investments..... | 100.0% | \$2,517,180,229 |
| | ===== | ===== |

8

THE GABELLI DIVIDEND & INCOME TRUST NOTES TO SCHEDULE OF INVESTMENTS (UNAUDITED)

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

Portfolio securities primarily traded on a foreign market are generally

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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.

Securities and assets for which market quotations are not readily available are fair valued as determined by the Board.

2. SWAP AGREEMENTS. The Fund may enter into interest rate swap, interest rate cap, or equity swap 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 below.

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 B 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.

An equity swap is a swap where a set of future cash flows are exchanged between two counterparties. One of these cash flow streams will typically be based on a reference interest rate combined with the performance of a notional value of shares of a stock. The other will be based on the performance of the shares of a stock.

Interest rate swap, equity 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

THE GABELLI DIVIDEND & INCOME TRUST NOTES TO SCHEDULE OF INVESTMENTS (CONTINUED) (UNAUDITED)

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 for Series B Preferred Stock. In addition, at the time an interest rate swap, equity swap,

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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.

The change in value of swaps, including the accrual of periodic amounts of interest to be paid or received on swaps is reported as unrealized appreciation or depreciation.

The Fund has entered into an interest rate swap agreement with Citibank N.A. Under the agreement the Fund receives a floating rate of interest and pays a respective fixed rate of interest on the nominal value of the swap. Details of the swap at March 31, 2007 are as follows:

| NOTIONAL AMOUNT ----- | FIXED RATE ----- | FLOATING RATE*/ (RATE RESET MONTHLY) ----- | TERMINATIO DATE ---- |
|-----------------------------|---------------------|--|----------------------------|
| \$100,000,000 | 4.01% | 5.32% | June 2, 201 |

* Based on Libor (London Interbank Offered Rate).

The Fund has entered into equity swaps with Bear Stearns Securities Corp. Details of the equity swaps at March 31, 2007 are as follows:

| NOTIONAL AMOUNT ----- | EQUITY SECURITY RECEIVED ----- | INTEREST RATE/ EQUITY SECURITY PAID ----- | TERMINATIO DATE ---- |
|------------------------------|--------------------------------------|---|----------------------------|
| | Market Value Appreciation on: | Overnight LIBOR plus Market Value Depreciation on: | |
| \$4,121,877 (344,000 Shares) | Cadbury Schweppes plc | Cadbury Schweppes plc | 02/15/08 |
| 11,008,000 (500,000 Shares) | Gallaher Group plc | Gallaher Group plc | 01/15/08 |

3. TAX INFORMATION. Under the current tax law, capital and currency losses realized after October 31 and prior to the Fund's fiscal year end may be deferred as occurring on the first day of the following fiscal year. Post October currency losses at the fiscal year ended December 31, 2006 were \$449,565.

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TRUSTEES

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CUSTODIAN
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COUNSEL
 Skadden, Arps, Slate, Meagher & Flom

TRANSFER AGENT AND REGISTRAR
 Computershare Trust Company, N.A.

STOCK EXCHANGE LISTING

| | | |
|---------------------|------------|---|
| | Common | P |
| | ----- | - |
| NYSE-Symbol: | GDV | |
| Shares Outstanding: | 83,973,170 | 3 |

The Net Asset Value per share appears in the Publicly Traded Funds column, under the heading "General Equity Funds," in Monday's The Wall Street Journal. It is also listed in Barron's Mutual Funds/Closed End Funds section under the heading "General Equity Funds."

The Net Asset Value per share may be obtained each day by calling (914) 921-5070.

 For general information about the Gabelli Funds, call 800-GABELLI (800-422-3554), fax us at 914-921-5118, visit Gabelli Funds' Internet homepage at: WWW.GABELLI.COM, or e-mail us at: closedend@gabelli.com

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Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940, as amended, that the Fund may, from time to time, purchase its common shares in the open market when the Fund's shares are trading at a discount of 7.5% or more from the net asset value of the shares. The Fund may also, from time to time, purchase its Series A and Series D Cumulative Preferred Shares in the open market when the shares are trading at a discount to the Liquidation Value of \$25.00.

THE GABELLI DIVIDEND & INCOME TRUST
ONE CORPORATE CENTER
RYE, NY 10580-1422
(914) 921-5070
WWW.GABELLI.COM

First Quarter Report
March 31, 2007

GCV 1Q/2007

ITEM 2. CONTROLS AND PROCEDURES.

- (a) The registrant's principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act") (17 CFR 270.30a-3(c))) are effective, as of a date within 90 days of the filing date of the report that includes the disclosure required by this paragraph, based on their evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR 270.30a-3(b)) and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended (17 CFR 240.13a-15(b) or 240.15d-15(b)).
- (b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d)) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 3. EXHIBITS.

Certifications pursuant to Rule 30a-2(a) under the 1940 Act and Section 302 of the Sarbanes-Oxley Act of 2002 are attached hereto.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(Registrant) The Gabelli Dividend & Income Trust

By (Signature and Title)* /s/ Bruce N. Alpert

Bruce N. Alpert, Principal Executive Officer

Date May 22, 2007

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By (Signature and Title)* /s/ Bruce N. Alpert

Bruce N. Alpert, Principal Executive Officer

Date May 22, 2007

By (Signature and Title)* /s/ Agnes Mullady

Agnes Mullady, Principal Financial Officer & Treasurer

Date May 22, 2007

* Print the name and title of each signing officer under his or her signature.