

GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC
Form N-CSRS
September 05, 2003

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, 2003

Date of reporting period: June 30, 2003

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, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. ss. 3507.

ITEM 1. REPORTS TO STOCKHOLDERS.

[LOGO OMITTED]
THE GABELLI

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-CSRS

CONVERTIBLE AND
INCOME SECURITIES
FUND INC.

THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.

Semi-Annual Report
June 30, 2003

TO OUR SHAREHOLDERS,

We are changing the way we provide portfolio managers' commentary to shareholders of our Funds. Our shareholder reports have typically contained commentary on each portfolio manager's assessment of the stock market, individual stocks and how economic events affect their thinking in managing a specific Fund. We have always provided details about performance and presented returns, both good and bad, hopefully in a clear and concise fashion. These comments have been included as part of each Fund's quarterly, semi-annual, and annual financial statements.

The Sarbanes-Oxley Act's new corporate governance regulations now require a Fund's principal executive and financial officers to certify the entire contents of shareholder reports in a filing with the Securities and Exchange Commission on form N-CSR. This certification covers the portfolio manager's commentary and subjective opinions if they are attached to or a part of the financial statements.

Rather than ask our portfolio managers to eliminate their opinions and/or restrict their commentary to historical facts only, we are removing their commentary from the financial statements and sending it to you separately. As a result, this commentary will no longer be considered part of a Fund's financial report and therefore will not be subject to the officers' certifications.

We trust that you understand that our approach is an unintended consequence of the ever-increasing regulatory requirements affecting public companies generally. We hope the specific certification requirements of these new regulations will be modified as they relate to mutual funds, since investment companies have different corporate structures and objectives than other public companies.

Sincerely yours,

/S/ BRUCE N. ALPERT
Bruce N. Alpert
Chief Operating Officer
Gabelli Funds, LLC

August 8, 2003

THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.
PORTFOLIO OF INVESTMENTS
JUNE 30, 2003 (UNAUDITED)

PRINCIPAL AMOUNT	COST	MARKET VALUE
-----	----	-----
	CONVERTIBLE CORPORATE BONDS -- 25.7%	
	AUTOMOTIVE: PARTS AND ACCESSORIES -- 5.9%	
\$ 1,600,000	GenCorp Inc., Sub. Deb. Cv., 5.750%, 04/15/07 ..\$ 1,565,976	\$ 1,502,000
400,000	Pep Boys - Manny, Moe & Jack, Cv., 4.250%, 06/01/07 ..	359,457 400,500

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-CSRS

8,100,000	Standard Motor Products Inc., Sub. Deb. Cv., 6.750%, 07/15/09 ..	6,444,529	7,006,500
		-----	-----
		8,369,962	8,909,000
		-----	-----
	AVIATION: PARTS AND SERVICES -- 2.8%		
4,352,000	Kaman Corp., Sub. Deb. Cv., 6.000%, 03/15/12 ..	4,132,442	4,194,240
		-----	-----
	BUSINESS SERVICES -- 2.7%		
900,000	BBN Corp., Sub. Deb. Cv., 6.000%, 04/01/12+ (a) (c) ..	882,893	0
10,000	First Data Corp., Cv., 2.000%, 03/01/08 ..	9,957	11,200
3,000,000	Franklin Resources Inc., Cv., Zero Coupon, 05/11/31	1,784,898	1,807,500
600,000	Navistar Financial Corp., Sub. Deb. Cv., 4.750%, 04/01/09 ..	537,308	569,250
2,000,000	Trans-Lux Corp., Sub. Deb. Cv., 7.500%, 12/01/06 ..	1,925,983	1,667,500
		-----	-----
		5,141,039	4,055,450
		-----	-----
	CABLE -- 1.3%		
400,000	Adelphia Communications Corp., Sub. Deb. Cv., 3.250%, 05/01/21+ (c)	127,000	77,000
2,900,000	Charter Communications Inc., Cv., 4.750%, 06/01/06 ..	1,860,303	1,928,500
		-----	-----
		1,987,303	2,005,500
		-----	-----
	COMMUNICATIONS EQUIPMENT -- 0.1%		
200,000	Corning Inc., Sub. Deb. Cv., Zero Coupon, 11/08/15	143,339	149,500
		-----	-----
	CONSUMER PRODUCTS -- 0.1%		
160,000	Standard Commercial Corp., Sub. Deb. Cv., 7.250%, 03/31/07 ..	144,177	161,200
		-----	-----
	PRINCIPAL AMOUNT	COST	MARKET VALUE
	-----	----	-----
	DIVERSIFIED INDUSTRIAL -- 0.3%		
\$ 500,000	GATX Corp., Cv., 7.500%, 02/01/07 (b)	\$ 500,000	\$ 496,250
		-----	-----
	ELECTRONICS -- 5.8%		
1,900,000	Agere Systems Inc., Sub. Deb. Cv., 6.500%, 12/15/09 ..	1,870,867	2,185,000

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-CSRS

1,000,000	Cypress Semiconductor Inc., Sub. Deb. Cv., 3.750%, 07/01/05 ..	918,989	1,006,250
1,000,000	Oak Industries Inc., Sub. Deb. Cv., 4.875%, 03/01/08 ..	808,544	960,000
4,500,000	Thermo Electron Corp., Sub. Deb. Cv., 4.000%, 01/15/05 ..	4,417,506	4,505,625
		-----	-----
		8,015,906	8,656,875
		-----	-----
	ENERGY AND UTILITIES -- 1.1%		
388,000	Devon Energy Corp., Sub. Deb. Cv., 4.950%, 08/15/08 ..	382,653	398,670
1,400,000	Mirant Corp., Sub. Deb. Cv., 2.500%, 06/15/21+ (c)	1,017,750	1,050,000
257,000	Moran Energy Inc., Sub. Deb. Cv., 8.750%, 01/15/08 ..	180,929	251,539
		-----	-----
		1,581,332	1,700,209
		-----	-----
	EQUIPMENT AND SUPPLIES -- 0.8%		
1,098,000	Robbins & Myers Inc., Sub. Deb. Cv., 8.000%, 01/31/08 ..	1,130,189	1,221,525
		-----	-----
	FOOD AND BEVERAGE -- 1.6%		
300,000	Koninklijke Ahold NV, Sub. Deb. Cv., 3.000%, 09/30/03 ..	140,005	151,053
800,000	Parmalat Capital, Cv., 1.000%, 12/31/05 ..	921,083	1,053,030
900,000	Parmalat Netherlands BV, Cv., 0.875%, 06/30/21 ..	977,201	1,131,692
		-----	-----
		2,038,289	2,335,775
		-----	-----
	HEALTH CARE -- 0.8%		
50,000	Apogent Technologies Inc., Cv., 2.250%, 10/15/21 (b)	51,099	50,312
100,000	Invitrogen Corp., Sub. Deb. Cv., 5.500%, 03/01/07 ..	99,174	100,750

See accompanying notes to financial statements.

2

THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.
PORTFOLIO OF INVESTMENTS (CONTINUED)
JUNE 30, 2003 (UNAUDITED)

PRINCIPAL AMOUNT		COST	MARKET VALUE
-----		----	-----
	CONVERTIBLE CORPORATE BONDS (CONTINUED)		
	HEALTH CARE (CONTINUED)		
	IVAX Corp., Sub. Deb. Cv., 5.500%, 05/15/07 ..	\$ 614,547	\$ 707,875

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-CSRS

400,000	4.500%, 05/15/08 (b)	333,925	390,000
150,000	Sabratek Corp., Sub. Deb. Cv., 6.000%, 04/15/05+ (c)	84,763	0
		1,183,508	1,248,937
	PAPER AND FOREST PRODUCTS -- 0.1%		
200,000	Riverwood International Corp., Sub. Deb. Cv., 6.750%, 09/15/03 ..	199,984	220,000
	PUBLISHING -- 0.1%		
200,000	Times Mirror Co., Sub. Deb. Cv., Zero Coupon, 04/15/17	113,180	105,500
	RETAIL -- 0.1%		
60,000	Costco Companies Inc., Sub. Deb. Cv., Zero Coupon, 08/19/17	44,879	50,325
30,000	School Specialty Inc., Sub. Deb. Cv., 6.000%, 08/01/08 ..	29,958	35,400
		74,837	85,725
	TELECOMMUNICATIONS -- 0.3%		
500,000	Rogers Communications Inc., Sub. Deb. Cv., 2.000%, 11/26/05 ..	428,600	455,625
	WIRELESS COMMUNICATIONS -- 1.8%		
550,000	Nextel Communications Inc., Cv., 6.000%, 06/01/11 ..	415,154	578,188
1,500,000	5.250%, 01/15/10 ..	1,017,015	1,417,500
100,000	4.750%, 07/01/07 ..	72,528	100,250
1,300,000	United States Cellular Corp., Sub. Deb. Cv., Zero Coupon, 06/15/15	852,462	602,875
		2,357,159	2,698,813
	TOTAL CONVERTIBLE CORPORATE BONDS	37,541,246	38,700,124
			MARKET
			VALUE
	CONVERTIBLE PREFERRED STOCKS -- 15.4%		
	AEROSPACE -- 0.7%		
8,500	Northrop Grumman Corp., 7.000% Cv. Pfd., Ser. B	990,420	1,045,500
	AUTOMOTIVE -- 0.5%		
4,000	Ford Motor Co. Capital Trust II, 6.500% Cv. Pfd. ...	192,705	173,800

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-CSRS

	General Motors Corp.,		
13,000	5.250% Cv. Pfd.,		
	Ser. B	325,000	291,200
10,000	4.500% Cv. Pfd.,		
	Ser. A	250,000	244,500
		-----	-----
		767,705	709,500
		-----	-----
	AVIATION: PARTS AND SERVICES -- 2.8%		
49,000	Coltec Capital Trust,		
	5.250% Cv. Pfd. ...	2,032,375	1,633,160
34,000	Sequa Corp.,		
	\$5.00 Cv. Pfd.	2,592,867	2,567,000
		-----	-----
		4,625,242	4,200,160
		-----	-----
	BROADCASTING -- 0.7%		
100	Gray Television Inc.,		
	8.000% Cv. Pfd.,		
	Ser. C (a) (b)	1,000,000	1,030,000
		-----	-----
	BUSINESS SERVICES -- 0.9%		
14,000	Interrep National Radio		
	Sales Inc.,		
	4.000% Cv. Pfd.,		
	Ser. A+ (a) (b)	1,400,000	1,442,000
20,000	Key3Media Group,		
	5.500% Cv. Pfd. (a)	500,000	117
		-----	-----
		1,900,000	1,442,117
		-----	-----
	CABLE -- 0.8%		
51,000	CVC Equity Securities Trust I,		
	6.500% Cv. Pfd. ...	1,103,243	1,190,850
		-----	-----
	DIVERSIFIED INDUSTRIAL -- 0.3%		
2,400	GATX Corp.,		
	\$2.50 Cv. Pfd.	335,070	240,000
	WHX Corp.,		
28,000	6.500% Cv. Pfd.,		
	Ser. A+	216,762	144,200
10,000	\$3.75 Cv. Pfd.,		
	Ser. B+	45,523	50,600
		-----	-----
		597,355	434,800
		-----	-----

See accompanying notes to financial statements.

3

THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.
 PORTFOLIO OF INVESTMENTS (CONTINUED)
 JUNE 30, 2003 (UNAUDITED)

SHARES		COST	MARKET VALUE
-----		----	-----
	CONVERTIBLE PREFERRED STOCKS (CONTINUED)		
	ENERGY AND UTILITIES -- 0.3%		
3,000	AES Trust III,		
	6.750% Cv. Pfd. ...\$	42,830 \$	101,970

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-CSRS

	COMMON STOCKS -- 1.5%		
	AVIATION: PARTS AND SERVICES -- 0.1%		
9,000	Kaman Corp., Cl. A ..	106,562	105,210

	BROADCASTING -- 0.1%		
35,000	Granite Broadcasting Corp.+	37,187	107,100

	CABLE -- 0.0%		
10,000	UnitedGlobalCom Inc., Cl. A+	91,270	51,700

	COMPUTER SOFTWARE AND SERVICES -- 0.2%		
10,000	Veridian Corp.+	347,000	348,900

	ENERGY AND UTILITIES -- 0.9%		
2,000	AGL Resources Inc. ..	35,600	50,880
10,000	Allegheny Energy Inc.	96,600	84,500
8,000	BP plc, ADR	316,479	336,160
3,000	CH Energy Group Inc.	83,900	135,000
10,000	NiSource Inc.+	20,000	22,200
25,000	Northeast Utilities .	474,141	418,500
10,000	Progress Energy Inc., CVO+	5,200	1,050
4,000	SJW Corp.	366,333	341,000

		1,398,253	1,389,290

	FINANCIAL SERVICES -- 0.2%		
18,000	Argonaut Group Inc. .	383,631	221,940

	SATELLITE -- 0.0%		
2,500	Loral Space & Communications Ltd.+	22,485	7,625

	TELECOMMUNICATIONS -- 0.0%		
2,000	AT&T Corp.	40,934	38,500

	WIRELESS COMMUNICATIONS -- 0.0%		
49	Winstar Communications Inc.+	438	0

	TOTAL COMMON STOCKS	2,427,760	2,270,265

See accompanying notes to financial statements.

4

THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.
 PORTFOLIO OF INVESTMENTS (CONTINUED)
 JUNE 30, 2003 (UNAUDITED)

SHARES	COST	MARKET VALUE
-----	----	-----

PREFERRED STOCKS -- 1.6%
 BROADCASTING -- 1.1%

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-CSRS

2,127	Granite Broadcasting Corp., 12.750% Pfd.+	\$ 879,780	\$ 1,722,870
	EQUIPMENT AND SUPPLIES -- 0.3%		
15,000	Fedders Corp., 8.600% Pfd., Ser. A	467,566	378,000
	PUBLISHING -- 0.2%		
9,777	News Corp. Ltd., Pfd., ADR	189,209	244,914
	TELECOMMUNICATIONS -- 0.0%		
3,993	NTL Europe Inc., 10.000% Pfd., Ser. A+	0	11,979
	TOTAL PREFERRED STOCKS	1,536,555	2,357,763
PRINCIPAL AMOUNT -----			
	CORPORATE BONDS -- 0.1%		
	BROADCASTING -- 0.0%		
\$ 15,000	Granite Broadcasting Corp., Sub. Deb., 8.875%, 05/15/08 ..	8,303	14,738
	CONSUMER SERVICES -- 0.0%		
1,100,000	Ogden Corp., Sub. Deb., 6.000%, 06/01/49+ (c)	1,090,087	82,500
	TELECOMMUNICATIONS -- 0.0%		
80,000	Amnex Inc., Sub. Deb., 8.500%, 09/25/49+ (b) (c) ..	71,772	0
	WIRELESS COMMUNICATIONS -- 0.1%		
100,000	Nextel Communications Inc., 9.500%, 02/01/11 ..	71,329	111,250
	TOTAL CORPORATE BONDS	1,241,491	208,488
SHARES -----			
	WARRANTS -- 0.0%		
	BUSINESS SERVICES -- 0.0%		
87,500	Interep National Radio Sales Inc.,+ (a) ..	0	0
	SHARES	COST	MARKET VALUE
	-----	----	-----
	CONSUMER PRODUCTS -- 0.0%		
4,331	Pillowtex Corp., expire 11/24/09+ ..\$	120,955	\$ 130

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-CSRS

	-----	-----
TOTAL WARRANTS	120,955	130
	-----	-----
PRINCIPAL AMOUNT		

	U.S. GOVERNMENT OBLIGATIONS -- 55.7%	
\$83,803,000 U.S. Treasury Bills, 0.792% to 1.183%+, 07/03/03 to 11/13/03	83,733,345	83,738,172
	-----	-----
TOTAL INVESTMENTS -- 100.0%	\$148,321,178	\$150,424,313
	=====	
OTHER LIABILITIES IN EXCESS OF ASSETS		(428,757)
PREFERRED STOCK (1,001,000 preferred shares outstanding) ...		(50,000,000)

NET ASSETS -- COMMON STOCK (11,270,024 common shares outstanding)		99,995,556
		=====
NET ASSET VALUE PER COMMON SHARE (\$99,995,556 (DIVIDE) 11,270,024 shares outstanding)		\$8.87
		=====

For Federal tax purposes:		
Aggregate cost	\$148,321,178	
	=====	
Gross unrealized appreciation ...	\$ 6,896,630	
Gross unrealized depreciation ...	(4,793,495)	

Net unrealized appreciation	\$ 2,103,135	
	=====	

-
- (a) Security fair valued under procedures established by the Board of Directors.
 - (b) Security exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At June 30, 2003, the market value of Rule 144A securities amounted to \$3,408,562 or 2.27% of total net assets.
 - (c) Bond in default.
 - + Non-income producing security.
 - ++ Represents annualized yield at date of purchase.
- ADR - American Depository Receipt.
CVO - Contingent Value Obligation.

See accompanying notes to financial statements.

THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.

STATEMENT OF ASSETS AND LIABILITIES
JUNE 30, 2003 (UNAUDITED)

ASSETS:

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-CSRS

Investments, at value (cost \$148,321,178)	\$ 150,424,313
Cash	1,316
Dividends and interest receivable	927,061
Receivable for investments sold	289,595

TOTAL ASSETS	151,642,285

LIABILITIES:	
Dividends payable	25,750
Unrealized depreciation on swap contract	648,341
Payable for investment advisory fees	76,588
Payable to custodian	4,111
Payable for legal and audit	19,175
Payable for shareholder communications expense	20,701
Payable for payroll expenses	112,772
Interest payable on swap contract	35,486
Payable for offering expenses	659,504
Other accrued expenses and liabilities	44,301

TOTAL LIABILITIES	1,646,729

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

NET ASSETS ATTRIBUTABLE TO COMMON STOCK SHAREHOLDERS	\$ 99,995,556
	=====
NET ASSETS ATTRIBUTABLE TO COMMON STOCK SHAREHOLDERS CONSIST OF:	
Capital stock, at par value	\$ 11,270
Additional paid-in capital	104,236,538
Accumulated distributions in excess of net investment income	(3,393,415)
Accumulated net realized loss on investments and foreign currency transactions	(2,314,003)
Net unrealized appreciation on investments ..	1,455,166

TOTAL NET ASSETS	\$ 99,995,556
	=====
NET ASSET VALUE PER COMMON SHARE (\$99,995,556 / 11,270,024 shares outstanding; 100,000,000 shares authorized of \$0.001 par value)	
	\$8.87
	=====

STATEMENT OF OPERATIONS
FOR THE SIX MONTHS ENDED JUNE 30, 2003 (UNAUDITED)

INVESTMENT INCOME:	
Dividends (net of foreign taxes of \$2,658)	\$ 723,900
Interest	2,013,577

TOTAL INVESTMENT INCOME	2,737,477

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-CSRS

EXPENSES:		
Investment advisory fees	465,663	
Interest expense on swap contract	113,211	
Payroll	52,626	
Shareholder services fees	42,341	
Shareholder communications expenses	39,840	
Directors' fees	33,223	
Legal and audit fees	33,016	
Accounting fees	17,249	
Custodian fees	16,861	
Miscellaneous expenses	40,033	

TOTAL EXPENSES	854,063	

NET INVESTMENT INCOME	1,883,414	

NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS AND FOREIGN CURRENCY TRANSACTIONS:		
Net realized gain on investments, securities sold short and foreign currency transactions	377,564	
Net change in unrealized appreciation on investments	9,078,786	

NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS AND FOREIGN CURRENCY TRANSACTIONS	9,456,350	

NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	11,339,764	

DISTRIBUTIONS TO PREFERRED STOCK SHAREHOLDERS:		
Net investment income	(653,123)	

TOTAL DISTRIBUTIONS TO PREFERRED STOCK SHAREHOLDERS	(653,123)	

NET INCREASE IN NET ASSETS ATTRIBUTABLE TO COMMON STOCK SHAREHOLDERS RESULTING FROM OPERATIONS	\$ 10,686,641	
		=====

See accompanying notes to financial statements.

THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.
STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO COMMON SHAREHOLDERS

	SIX MONTHS ENDED JUNE 30, 2003 (UNAUDITED)	DEC
	-----	-----
OPERATIONS:		
Net investment income	\$ 1,883,414	\$
Net realized gain (loss) on investments, securities sold short and foreign currency transactions	377,564	
Net change in unrealized appreciation/depreciation on investments, securities sold short and foreign currency transactions	9,078,786	
	-----	-----
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	11,339,764	

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-CSRS

DISTRIBUTIONS TO PREFERRED STOCK SHAREHOLDERS:		
Net investment income		(653,123)
TOTAL DISTRIBUTIONS TO PREFERRED STOCK SHAREHOLDERS		(653,123)
NET INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO COMMON STOCK SHAREHOLDERS RESULTING FROM OPERATIONS		10,686,641
DISTRIBUTIONS TO COMMON STOCK SHAREHOLDERS:		
Net investment income		(4,461,551)
Return of capital		--
TOTAL DISTRIBUTIONS TO COMMON STOCK SHAREHOLDERS		(4,461,551)
CAPITAL SHARE TRANSACTIONS:		
Net increase in net assets from common shares issued upon reinvestment of dividends and distributions and rights offering in 2002		1,496,226
Offering costs for preferred shares charged to paid-in capital		(1,500,000)
NET INCREASE (DECREASE) IN NET ASSETS FROM FUND SHARE TRANSACTIONS ...		(3,774)
NET INCREASE IN NET ASSETS ATTRIBUTABLE TO COMMON STOCK SHAREHOLDERS .		6,221,316
NET ASSETS ATTRIBUTABLE TO COMMON STOCK SHAREHOLDERS:		
Beginning of period		93,774,240
End of period		\$ 99,995,556
		=====

See accompanying notes to financial statements.

7

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

1. ORGANIZATION. The Gabelli Convertible and Income Securities Fund Inc. (the "Fund") is a closed-end diversified 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 an open-end diversified management investment company and commenced investment operations on July 3, 1989 as The Gabelli Convertible Securities Fund, Inc. The Board of Directors, 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. The Fund continues to maintain its investment objective of seeking a high level of total return through a combination of current income and capital appreciation. 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 at least 60 days' prior notice of the implementation of any change in the 80% Policy.

2. SIGNIFICANT ACCOUNTING POLICIES. The preparation of financial statements in accordance with 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 price or a market's official closing price as of the close of business on the day the securities are being valued. If there were no sales that day, the security is valued at the average of the closing bid and asked prices or, if there were no asked prices quoted on that day, then the security is valued at the closing bid price on that day. If no bid or asked prices are quoted on such day, the security is valued at the most recently available price or, if the Board of Directors so determines, by such other method as the Board of Directors 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 in foreign markets are generally valued at the preceding closing values of such securities on their respective exchanges or markets. Securities and assets for which market quotations are not readily available are valued at their fair value as determined in good faith under procedures established by and under the general supervision of the Board of Directors. Short term debt securities with remaining maturities of 60 days or less are valued at amortized cost, unless the Board of Directors determines such does not reflect the securities fair value, in which case these securities will be valued at their fair value as determined by the Board of Directors. Debt instruments having a maturity greater than 60 days for which market quotations are readily available are valued at the latest average of the bid and asked prices. If there were no asked prices quoted on such day, the security is valued using the closing bid price on that day. Options are valued at the last sale price on the exchange on which they are listed. If no sales of such options have taken place that day, they will be valued at the mean between their closing bid and asked prices.

REPURCHASE AGREEMENTS. The Fund may enter into repurchase agreements with primary government securities dealers recognized by the Federal Reserve Bank of New York, 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 of Directors. 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 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.

FUTURES CONTRACTS. The Fund may engage in futures contracts for the purpose of hedging against changes in the value of its portfolio securities and in the value of securities it intends to purchase. Such investments will only be made if they are economically appropriate to the reduction of risks involved in the management of the Fund's investments. 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 fluctuation of the value of the contract. The daily changes in the contract are included in unrealized appreciation/depreciation on investments and futures contracts. The Fund recognizes a realized gain or loss when the contract is closed. At June 30, 2003, there were no open futures contracts.

There are several risks in connection with the use of futures contracts as a hedging device. 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.

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 transactions. 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/(loss) 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 June 30, 2003, the Fund held no forward foreign exchange contracts.

SECURITIES SOLD SHORT. A short sale involves selling a security which the Fund does not own. The proceeds received for 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 the 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.

FOREIGN CURRENCY TRANSLATION. The books and records of the Fund are maintained in United States (U.S.) dollars. Foreign currencies, investments and other assets and liabilities are translated into U.S. dollars at the exchange rates prevailing at the end of the period, and 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, which 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 transactions. 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

9

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

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.

SECURITIES TRANSACTIONS AND INVESTMENT INCOME. Securities transactions are accounted for as of 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 as earned. Dividend income is recorded on the ex-dividend date.

DIVIDENDS AND DISTRIBUTIONS TO SHAREHOLDERS. Distributions to shareholders are recorded on the ex-dividend date. Income distributions and capital gain distributions are determined in accordance with income tax regulations which may differ from generally accepted accounting principles. These differences are primarily due to differing treatments of income and gains on various investment securities held by the Fund, timing differences and differing characterization of distributions made by the Fund. 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 accrued on a daily basis and are determined as described in Note 5.

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. As a result, a Federal income tax provision is not required.

The Fund has a net capital loss carryforward for Federal income tax purposes at December 31, 2002 of \$1,343,575. The capital loss carryforward is available to reduce future distributions of net capital gains to shareholders through 2010.

SWAP AGREEMENTS. The Fund may enter into interest rate swap or cap transactions. The use of interest rate swaps and caps is a highly specialized activity that involves investment techniques and risks different from those associated with ordinary portfolio security transactions. 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 the Series C Preferred Stock. In an interest rate cap, the Fund would pay a premium to the interest rate cap to the counterparty and, to the extent that a specified variable rate index exceeds a predetermined fixed rate, would receive from the 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. 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 the Series C Preferred Stock. 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

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-CSRS

the expiring transaction. If this occurs, it could have a negative impact on the Fund's ability to make dividend payments on the Series C Preferred Stock.

The Fund has entered into one 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 June 30, 2003 are as follows:

NOTIONAL AMOUNT	FIXED RATE	FLOATING RATE* (RATE RESET MONTHLY)	TERMINATION DATE	UNREALIZED DEPRECIATION
-----	-----	-----	-----	-----
\$25,000,000	3.145%	1.12%	April 2, 2008	\$(648,341)

*Based on Libor (London Interbank Offered Rate).

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 plus liquidation value of

10

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

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 net asset value of the common shares of the Fund, including distributions and advisory fee subject to reduction, does not exceed the stated dividend rate of the Cumulative Preferred Stock. On February 11, 2003, the Fund redeemed the remaining 50% (600,000 shares) of its 8.00% Cumulative Preferred Stock. For the period from January 1, 2003 through February 11, 2003, the Fund's total return on the net asset value of the common shares exceeded the stated dividend rate of the Cumulative Preferred Stock for this period. Thus, management fees were earned on these assets. On March 18, 2003, the Fund issued additional preferred stock. For the period from March 18, 2003 through June 30, 2003, the Fund's total return on the net asset value of the common shares exceeded the stated dividend rate of the preferred stock.

During the six months ended June 30, 2003, Gabelli & Company, Inc. received \$6,013 in brokerage commissions as a result of executing agency transactions in portfolio securities on behalf of the Fund.

The cost of calculating the Fund's net asset value per share is a Fund expense pursuant to the Investment Advisory Agreement between the Fund and the Adviser. During the six months ended June 30, 2003, the Fund reimbursed the Adviser \$17,400 in connection with the cost of computing the Fund's net asset value.

4. PORTFOLIO SECURITIES. Costs of purchases and proceeds from sales of securities, other than short-term securities, for the six months ended June 30, 2003 aggregated \$18,099,862 and \$14,668,617, respectively.

5. CAPITAL. The Articles of Incorporation, dated December 19, 1988, permit the Fund to issue 100,000,000 shares of common stock (par value \$0.001).

On November 14, 2002, the Fund distributed one transferable right for each

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-CSRS

of the 8,291,884 common shares outstanding to shareholders of record on that date. Three rights were required to purchase one additional common share at the subscription price of \$8.00 per share. The subscription period expired on December 16, 2002. The rights offering was fully subscribed resulting in the issuance of 2,763,961 common shares and proceeds of \$22,111,688 to the Fund, prior to the deduction of estimated expenses of \$450,000. The net asset value per share of the Fund's common shareholders was reduced by approximately \$0.20 per share as a result of the issuance. Transactions in common stock were as follows:

	SIX MONTHS ENDED JUNE 30, 2003 (UNAUDITED)		
	SHARES	AMOUNT	
Shares issued in rights offering	--	--	2,7
Shares issued upon reinvestment of dividends and distributions	156,593	\$1,496,226	2
Net increase	156,593	\$1,496,226	3,0

The Adviser has been authorized to repurchase on behalf of the Fund up to 500,000 shares of Common Stock of the Fund in the open market, whenever the shares are trading at a discount of 10% or more from the net asset value of the shares. For the six months ended June 30, 2003, the Fund did not repurchase any shares of Common Stock. All shares of Common Stock repurchased have been retired.

In addition, the Fund has been authorized to issue up to 2,000,000 shares of Preferred Stock of which 1,200,000 shares have been designated as \$0.001 par value 8% Cumulative Preferred Stock. Dividends on shares of the Cumulative Preferred Stock are cumulative. The Fund is required to meet certain asset coverage tests with respect to the Cumulative Preferred Stock as required by the 1940 Act and by the Shares' Articles Supplementary. 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 Cumulative

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

Preferred Stock at a redemption price of \$25.00 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 requirement could restrict the Fund's ability to pay dividends to Common Shareholders and could lead to sales of portfolio securities at inopportune times. The Preferred Stock was callable at the redemption price at the option of the Fund after May 15, 2002. This Cumulative Preferred Stock introduced leverage into the capital structure of the Fund. This leverage tends to magnify both the risks and opportunities to Common Shareholders. On November 12, 2002, the Fund redeemed 50% (600,000 shares) of its outstanding 8% Cumulative Preferred Stock at the redemption price of \$25.00 per Preferred Share plus accumulated and unpaid dividends through the redemption date of \$0.2555 per Preferred Share. On February 11, 2003, the Fund redeemed the remaining 50% (600,000 Shares) of its outstanding 8.00% Cumulative Preferred Stock at the redemption price of \$25.25 per Preferred Share, which consisted of \$25.00 per Preferred Share plus accumulated and unpaid dividends through the redemption date of \$0.25 per

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-CSRS

Preferred Share.

On March 18, 2003, the Fund received net proceeds of \$23,981,250 (after underwriting discounts of \$787,500 and estimated offering expenses of \$231,250) from the public offering of 1,995,000 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. The Board of Directors has authorized the repurchase in the open market at prices less than the \$25 liquidation value of the Cumulative Preferred Stock. During the six months ended June 30, 2003 the Fund did not repurchase any shares of 6.00% Series B Cumulative Preferred Stock. At June 30, 2003, 1,000,000 shares of the 6.00% Series B Cumulative Preferred Stock were outstanding at the fixed rate of 6.00% per share and accrued dividends amounted to \$20,833.

On March 18, 2003, the Fund received net proceeds of \$24,518,750 (after underwriting discounts of \$250,000 and estimated offering expenses of \$231,250) from the public offering of 5,000 shares of Series C Auction Rate Cumulative Preferred Stock. The dividend rate, as set by the auction process, which is generally held every 7 days, is expected to vary with short-term interest rates. 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 six months ended June 30, 2003, the Fund did not repurchase any shares of Series C Auction Rate Cumulative Preferred Stock. At June 30, 2003, 1,000 shares of the Series C Auction Rate Cumulative Preferred Stock were outstanding at the annual rate of 1.18% per share and accrued dividends amounted to \$4,917.

The holders of Cumulative Preferred Stock have voting rights equivalent to those of the holders of Common Stock (one vote per share) and will vote together with holders of shares of Common Stock as a single class. In addition, the 1940 Act requires that along with approval of a majority of the holders of Common Stock, approval of a majority of the holders of any outstanding shares of Cumulative Preferred Stock, voting separately as a class, would be required to (a) adopt any plan of reorganization that would adversely affect the Cumulative Preferred Stock, and (b) take any action requiring a vote of security holders, including, among other things, changes in the Fund's subclassification as a closed-end investment company or changes in its fundamental investment restrictions. The income received on the Fund's assets may vary in a manner unrelated to the fixed rate, which could have either a beneficial or detrimental impact on net investment income and gains available to common shareholders.

Under Emerging Issues Task Force (EITF) promulgating Topic D-98, Classification and Measurement of Redeemable Securities, which was issued on July 19, 2001, preferred securities that are redeemable for cash or other assets are to be classified outside of permanent equity to the extent that the redemption is at a fixed or determinable price and at the option of the holder or upon the occurrence of an event that is not solely within the control of the issuer. Subject to the guidance of the EITF, the Fund's Cumulative Preferred Stock has been reclassified outside of permanent equity (net assets attributable to common stock shareholders) in the accompanying financial statements.

12

THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC. FINANCIAL HIGHLIGHTS

SELECTED DATA FOR A FUND COMMON SHARE

SIX MONTHS ENDED

YEAR ENDED DE

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-CSRS

OUTSTANDING THROUGHOUT EACH PERIOD:	JUNE 30, 2003 (UNAUDITED)	2002	2001	2000
OPERATING PERFORMANCE:				
Net asset value, beginning of period	\$ 8.44	\$ 9.92	\$ 10.02	\$ 11.40
Net investment income	0.11	0.49	0.68	0.72
Net realized and unrealized gain (loss) on investments	0.90	(0.76)	0.32	(0.52)
Total from investment operations	1.01	(0.27)	1.00	0.20
DISTRIBUTIONS TO PREFERRED STOCK SHAREHOLDERS:				
Net investment income	(0.06)	(0.28)	(0.18)	(0.13)
Net realized gain on investments	--	--	(0.12)	(0.17)
Total distributions to preferred stock shareholders	(0.06)	(0.28)	(0.30)	(0.30)
NET INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO COMMON STOCK SHAREHOLDERS RESULTING FROM OPERATIONS				
	0.95	(0.55)	0.70	(0.10)
DISTRIBUTIONS TO COMMON STOCK SHAREHOLDERS:				
Net investment income	(0.40)	(0.27)	(0.48)	(0.57)
Net realized gain on investments	--	--	(0.33)	(0.73)
Paid-in capital	--	(0.48)	--	--
Total distributions to common stock shareholders	(0.40)	(0.75)	(0.81)	(1.30)
CAPITAL SHARE TRANSACTIONS:				
Increase in net asset value from common stock share transactions	0.01	0.02	0.01	0.02
Decrease in net asset value from shares issued in rights offering	--	(0.20)	--	--
Offering costs for preferred shares charged to paid-in capital	(0.13)	--	--	--
NET ASSET VALUE ATTRIBUTABLE TO COMMON STOCK SHAREHOLDERS, END OF PERIOD				
	\$ 8.87	\$ 8.44	\$ 9.92	\$ 10.02
Net asset value total return +	10.0%	(7.0)%	7.0%	0.0
Market value, end of period	\$ 10.37	\$ 8.55	\$ 10.90	\$ 9.13
Total investment return ++	26.4%	(14.2)%	29.1%	(1.7
RATIOS AND SUPPLEMENTAL DATA:				
Net assets plus liquidation value of preferred shares, end of period (in 000's)	\$149,996	\$108,774	\$110,074	\$108,066
Net assets attributable to common shares, end of period (in 000's)	\$ 99,996	\$ 93,774	\$ 80,074	\$ 78,066
Ratio of net investment income to average net assets attributable to common stock	3.91% (e)	5.32%	6.58%	6.49
Ratio of operating expenses to average net assets attributable to common stock (d) ...	1.77% (e)	1.58%	1.46%	1.48
Ratio of operating expenses to average				

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-CSRS

total net assets including liquidation				
value of preferred shares (d)	1.33% (e)	1.15%	1.07%	1.10%
Portfolio turnover rate	21%	56%	59%	169%
PREFERRED STOCK:				
8.00% CUMULATIVE PREFERRED STOCK				
Liquidation value, end of period (in 000's)	--	\$15,000	\$30,000	\$30,000
Total shares outstanding (in 000's)	--	600	1,200	1,200
Liquidation preference per share	--	\$25.00	\$25.00	\$25.00
Average market value (b)	--	\$25.83	\$25.80	\$24.31
6.00% CUMULATIVE PREFERRED STOCK				
Liquidation value, end of period (in 000's)	\$25,000	--	--	--
Total shares outstanding (in 000's)	1,000	--	--	--
Liquidation preference per share	\$25.00	--	--	--
Average market value (b)	\$25.70	--	--	--
AUCTION RATE CUMULATIVE PREFERRED STOCK				
Liquidation value, end of period (in 000's)	\$25,000	--	--	--
Total shares outstanding (in 000's)	1	--	--	--
Liquidation preference per share	\$25,000	--	--	--
Average market value (b)	\$25,000	--	--	--
Asset coverage (c)	300%	725%	367%	360%
Asset coverage per share (c)	\$149.85	\$181.29	\$91.72	\$90.05

+ Based on net asset value per share, adjusted for reinvestment of distributions. Total return for the period of less than one year is not annualized.

++ Based on market value per share, adjusted for reinvestment of distributions. Total return for the period of less than one year is not annualized.

(a) Amount represents less than \$0.005 per share.

(b) Based on weekly prices.

(c) Asset coverage is calculated by combining all series of preferred stock.

(d) The Fund incurred interest expense during the six months ended June 30, 2003. If interest expense had not been incurred, the expense ratio of operating expenses to average net assets attributable to common stock would be 1.37% and the expense ratio of operating expenses to average total net assets including liquidation value of preferred shares would be 1.03%.

(e) Annualized.

See accompanying notes to financial statements.

AUTOMATIC DIVIDEND REINVESTMENT
AND VOLUNTARY CASH PURCHASE PLAN

ENROLLMENT IN THE PLAN

It is the policy of The Gabelli Convertible and Income Securities Fund Inc. ("Convertible and Income Securities Fund") to automatically reinvest dividends. As a "registered" shareholder you automatically become a participant in the Convertible and Income Securities Fund's Automatic Dividend Reinvestment Plan (the "Plan"). The Plan authorizes the Convertible and Income Securities Fund to issue shares 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 Convertible and Income Securities Fund. Plan participants may send their stock certificates to EquiServe Trust Company ("EquiServe") to be held in their dividend reinvestment account. Registered shareholders wishing to receive their distribution in cash must submit this request in writing to:

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-CSRS

The Gabelli Convertible and Income Securities Fund Inc.
c/o EquiServe
P.O. Box 43011
Providence, RI 02940-3011

Shareholders requesting this cash election must include the shareholder's name and address as they appear on the share certificate. Shareholders with additional questions regarding the Plan may contact EquiServe at 1 (800) 336-6983.

SHAREHOLDERS WISHING TO LIQUIDATE REINVESTED SHARES held at EquiServe must do so in writing or by telephone. Please submit your request to the above mentioned address or telephone number. Include in your request your name, address and account number. The cost to liquidate shares is \$2.50 per transaction as well as the brokerage commission incurred. Brokerage charges are expected to be less than the usual brokerage charge for such transactions.

If your shares are held in the name of a broker, bank or nominee, you should contact such institution. If such institution is not participating in the Plan, your account will be credited with a cash dividend. In order to participate in the Plan through such institution, it may be necessary for you to have your shares taken out of "street name" and re-registered in your own name. Once registered in your own name your dividends will be automatically reinvested. Certain brokers participate in the Plan. Shareholders holding shares in "street name" at participating institutions will have dividends automatically reinvested. Shareholders wishing a cash dividend at such institution must contact their broker to make this change.

The number of shares of Common Stock distributed to participants in the Plan in lieu of cash dividends is determined in the following manner. Under the Plan, whenever the market price of the Convertible and Income Securities Fund's Common Stock is equal to or exceeds net asset value at the time shares are valued for purposes of determining the number of shares equivalent to the cash dividends or capital gains distribution, participants are issued shares of Common Stock valued at the greater of (i) the net asset value as most recently determined or (ii) 95% of the then current market price of the Convertible and Income Securities Fund's Common Stock. The valuation date is the dividend or distribution payment date or, if that date is not a New York Stock Exchange trading day, the next trading day. If the net asset value of the Common Stock at the time of valuation exceeds the market price of the Common Stock, participants will receive shares from the Convertible and Income Securities Fund valued at market price. If the Convertible and Income Securities Fund should declare a dividend or capital gains distribution payable only in cash, EquiServe will buy Common Stock in the open market, or on the New York Stock Exchange or elsewhere, for the participants' accounts, except that EquiServe will endeavor to terminate purchases in the open market and cause the Convertible and Income Securities Fund to issue shares at net asset value if, following the commencement of such purchases, the market value of the Common Stock exceeds the then current net asset value.

The automatic reinvestment of dividends and capital gains distributions will not relieve participants of any income tax which may be payable on such distributions. A participant in the Plan will be treated for Federal income tax purposes as having received, on a dividend payment date, a dividend or distribution in an amount equal to the cash the participant could have received instead of shares.

The Convertible and Income Securities Fund reserves the right to amend or terminate the Plan as applied to any voluntary cash payments made and any dividend or distribution paid subsequent to written notice of the change sent to the members of the Plan at least 90 days before the record date for such

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-CSRS

dividend or distribution. The Plan also may be amended or terminated by EquiServe on at least 90 days' written notice to participants in the Plan.

VOLUNTARY CASH PURCHASE PLAN

The Voluntary Cash Purchase Plan is yet another vehicle for our shareholders to increase their investment in the Convertible and Income Securities Fund. In order to participate in the Voluntary Cash Purchase Plan, shareholders must have their shares registered in their own name.

Participants in the Voluntary Cash Purchase Plan have the option of making additional cash payments to EquiServe for investments in the Convertible and Income Securities Fund's shares at the then current market price. Shareholders may send an amount from \$250 to \$10,000. EquiServe will use these funds to purchase shares in the open market on or about the 1st and 15th of each month. EquiServe will charge each shareholder who participates \$0.75, plus a pro rata share of the brokerage commissions. Brokerage charges for such purchases are expected to be less than the usual brokerage charge for such transactions. It is suggested that any voluntary cash payments be sent to EquiServe, P.O. Box 43011, Providence, RI02940-3011 such that EquiServe receives such payments approximately 10 days before the investment date. Funds not received at least five days before the investment date shall be held for investment until the next purchase date. A payment may be withdrawn without charge if notice is received by EquiServe at least 48 hours before such payment is to be invested.

For more information regarding the Dividend Reinvestment Plan and Voluntary Cash Purchase Plan, brochures are available by calling (914) 921-5070 or by writing directly to the Convertible and Income Securities Fund.

14

DIRECTORS AND OFFICERS
THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.
ONE CORPORATE CENTER, RYE, NY 10580-1422

DIRECTORS

Mario J. Gabelli, CFA
CHAIRMAN & CHIEF INVESTMENT OFFICER,
GABELLI ASSET MANAGEMENT INC.

E. Val Cerutti
CHIEF EXECUTIVE OFFICER,
CERUTTI CONSULTANTS, INC.

Anthony J. Colavita
ATTORNEY-AT-LAW,
ANTHONY J. COLAVITA, P.C.

Dugald A. Fletcher
PRESIDENT, FLETCHER & COMPANY, INC.

Karl Otto Pohl
FORMER PRESIDENT, DEUTSCHE BUNDESBANK

Anthony R. Pustorino
CERTIFIED PUBLIC ACCOUNTANT,
PROFESSOR EMERITUS, PACE UNIVERSITY

Werner J. Roeder, MD
VICE PRESIDENT/MEDICAL AFFAIRS,
LAWRENCE HOSPITAL CENTER

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-CSRS

Anthonie C. van Ekris
MANAGING DIRECTOR,
BALMAC INTERNATIONAL, INC.

Salvatore J. Zizza
CHAIRMAN, HALLMARK ELECTRICAL SUPPLIES CORP.

OFFICERS

Bruce N. Alpert
PRESIDENT

Gus Coutsouros
VICE PRESIDENT & TREASURER

Peter W. Latartara
VICE PRESIDENT

A. Hartswell Woodson, III
ASSOCIATE PORTFOLIO MANAGER

James E. McKee
SECRETARY

INVESTMENT ADVISER
Gabelli Funds, LLC
One Corporate Center
Rye, New York 10580-1422

CUSTODIAN
State Street Bank and Trust Company

COUNSEL
Skadden, Arps, Slate, Meagher & Flom LLP

TRANSFER AGENT AND REGISTRAR
EquiServe Trust Company

STOCK EXCHANGE LISTING

	Common	6.00% Preferred
	-----	-----
NYSE-Symbol:	GCV	GCV Pr B
Shares Outstanding:	11,270,024	1,000,000

The Net Asset Value appears in the Publicly Traded Funds column, under the heading "Convertible Securities Funds," in Sunday's The New York Times and in Monday's The Wall Street Journal. It is also listed in Barron's Mutual Funds/Closed End Funds section under the heading "Convertible Securities Funds."

The Net Asset Value may be obtained each day by calling (914) 921-5071.

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

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940, as amended, that the Convertible and Income Securities Fund may, from time to time, purchase shares of its common stock in the open

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-CSRS

market when the Convertible and Income Securities Fund shares are trading at a discount of 10% or more from the net asset value of the shares. The Convertible and Income Securities Fund may also, from time to time, purchase shares of its Cumulative Preferred Stock in the open market when the shares are trading at a discount to the Liquidation Value of \$25.00.

THE GABELLI CONVERTIBLE AND
INCOME SECURITIES FUND INC.
ONE CORPORATE CENTER
RYE, NY 10580-1422
(914) 921-5070
WWW.GABELLI.COM

SEMI-ANNUAL REPORT
JUNE 30, 2003

GBFCS SA/03

ITEM 2. CODE OF ETHICS.

Not applicable.

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.

Not applicable.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Not applicable.

ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.

Not applicable.

ITEM 6. [RESERVED]

ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Not applicable.

ITEM 8. [RESERVED]

ITEM 9. 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

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-CSRS

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 Exchange Act (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 half-year (the registrant's second fiscal half-year in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 10. EXHIBITS.

- (a) (1) Not applicable.
- (a) (2) Certifications pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 are attached hereto.
- (b) Certifications pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 are attached hereto.

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 Convertible and Income Securities Fund Inc.

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

Bruce N. Alpert, Principal Executive Officer

Date 09/03/03

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 09/03/03

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-CSRS

By (Signature and Title)* /s/ Gus A. Coutsouros

Gus A. Coutsouros, Principal Financial Officer

Date

09/03/03

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