



GABELLI  
VALUE PLUS+ TRUST PLC

Half-Yearly Financial Report (Unaudited)  
For the six months ended 30 September 2017

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# Financial highlights

## Performance (unadjusted for distributions)

	As at 30 September 2017	As at 30 September 2016	As at 31 March 2017
Net asset value per share (cum income)	<b>136.3p</b>	120.2p	139.7p
Net asset value per share (ex income)	<b>135.9p</b>	119.5p	138.4p
Share price	<b>128.9p</b>	112.9p	134.3p
Discount relative to the NAV (cum income)	<b>5.4%</b>	6.1%	3.9%

Total returns	Half year ended 30 September 2017	Half year ended 30 September 2016	Year ended 31 March 2017
Net asset value per share <sup>#</sup>	<b>(1.6%)</b>	17.2%	36.2%
S&P 500 Index (£)	<b>0.8%</b>	18.1%	34.4%
Share price <sup>†</sup>	<b>(3.1%)</b>	25.1%	48.8%

## Income

Revenue return per share	<b>0.27p</b>	0.40p	1.31p
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## Ongoing charges\*

Annualised ongoing charges**	<b>1.34%</b>	1.34%	1.33%
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Source: Investment Manager (Gabelli Funds, LLC), verified by the Administrator State Street Bank and Trust Company.

# The net asset value ("NAV") total return for the respective periods reflects the movement in the NAV, after taking account of the 1.2p dividend paid during the period.

† The total share price return for the respective periods reflects the movement in the share price during these periods, after taking account of the 1.2p dividend paid during the period.

\* Ongoing charges are calculated as a percentage of shareholders' funds using the average net assets over the respective periods and calculated in line with the AIC's recommended methodology.

\*\* The annualised ongoing charges figures are the recurring operating and investment management costs of the Company, expressed as a percentage of the average net assets.

# Chairman's statement

Andrew Bell

Chairman



## Introduction

The first half of the Company's financial year saw positive stock market returns, amid a broadening of global economic growth. Markets clearly paid closer attention to economic trends and the improvement in corporate earnings than to political trends, which were less reassuring. Other than in Europe, where a series of elections reassuringly resulted in victories for mainstream parties, politics generally added to investor uncertainty over future policy developments. Aside from geopolitical restiveness in the Far and Middle East, the UK general election went badly for the incumbent Conservative government, while the U.S. political system seemed characterised by generally irritable gridlock, despite the Republican tenure of the White House and majorities in both Houses of Congress. There have so far been no achievements of note on either healthcare or tax reform, although market disappointment over the latter has been assuaged by good news on corporate earnings and economic growth.

Inflation has remained subdued, with a strengthening economic cycle offset by quiescent commodity prices and the disruptive effects of new technology on business models and pricing power in many sectors. Consequently, although a number of central banks have indicated plans to reduce the degree of monetary policy stimulus, the pace of any interest rate rises is expected to be slow and gradual. However, given the experimental nature of the quantitative easing policies implemented since 2009, modelling the effects of their being tapered or reversed is uncertain. The significant projected change in central bank demand for government bonds could lead to a greater than expected rise in yields, which would have a direct effect on financial conditions in the economy, as well as on the valuation of equity markets, which have been boosted by low interest rates. In the absence of a recession (which is not expected), the stock market should find support from the positive growth environment, but a more selective approach may be called for than if valuations were generally cheap.

## Performance

The U.S. stock market delivered a total return of +7.7% in dollar terms, which was eroded by sterling strength to a return of 0.8% in sterling terms. This unwound some of the currency-driven gains in 2016, which had boosted the sterling return in the wake of the post-Brexit fall in the value of the pound. The Company's net asset value (NAV) total return in sterling terms was -1.6%, while the share price total return was -3.1%, affected by a widening of the discount during the period. In comparison, therefore, the Company's NAV total return lagged the broad market index. However, the Company's portfolio is constructed on the basis of the attractions of individual investments, not the construction of an index, so performance can be expected to vary, sometimes significantly, from the U.S. market index, which is used as a comparator, although the Investment Manager seeks to add value relative to market indices over time. It is also worth appreciating that approximately 30% of the portfolio is invested in merger arbitrage stocks, intended to deliver positive returns that are little correlated with the general market direction. As such, the tendency of the portfolio to move with the market ("beta") is relatively low (approximately 0.7), driven by this factor as well as the stock-selective construction of the portfolio. This can be expected to mute returns in stronger markets and assist in weak markets.

## Dividend

A dividend of 1.2 pence per share was paid in July in respect of the 2016-2017 financial year. As stated in the Annual report, dividends are expected to be declared annually, so no dividend will be paid at the interim stage. Revenue earnings during the six month period were 0.27 pence per share (2016: 0.40 pence per share).

## Share price rating and buybacks

The share price started the period at a 3.08% discount to NAV and traded between a small premium during May and a 6% discount for much of September. Despite the rise in U.S. equities as a whole, the NAV was little changed in sterling terms during the summer months, owing to weakness in the dollar. The U.S. market's weak relative performance compared with other regions in 2017 has contributed to reduced investor appetite for U.S. exposure, leading to widening discounts on U.S.-invested investment companies. The Company responded to the wider discount on its shares by recommencing share buybacks, with a total of 90,000 shares being purchased into treasury during the period and a further 60,000 since the period end, making a total of 150,000 shares held in treasury. Shares held in treasury may only be reissued at a premium to the prevailing net asset value.

The Company will continue to buy back shares when they are on an anomalous discount to NAV and when this is in shareholders' interests, taking account of market conditions. It should also be noted that the investment management fee paid to the Investment Manager is calculated on market capitalisation, which aligns their interest with that of other shareholders.

## Chairman's statement continued

In view of the reduced demand for U.S. equity assets during 2017, the Company has not progressed its earlier announced plan to seek an expansion of its capital and shareholder base, but the situation will remain under review. Any such equity issue would be structured to be non-dilutive to existing investors (while allowing them to participate), and the Company believes there are potential benefits from such an issue in terms of increased liquidity in the shares and spreading costs over a wider base, leading to a reduced ongoing charges figure.

### Gearing

One of the attributes of the Investment Trust structure is the ability to use borrowings in order to amplify investment returns, although of course the potential to boost gains is tempered by the risk of augmenting losses. The Company continues to evaluate the merits of putting gearing facilities in place and the best structure for such arrangements and will announce any decisions made to the market at a future date. The use of gearing will be selective and dependent upon the availability of attractive investment opportunities. At the period end, the Company held a net cash position of 19.7% of assets.

### Outlook

Although the U.S. Federal Reserve is tightening policy (via rate increases and sales of its bond holdings), the objective seems to be to normalise rates rather than to induce a slowdown in the economy, which has historically been the usual reason for tightening (usually in response to late cycle inflationary pressures). In the absence of such pressures, the authorities are taking baby steps towards recreating conditions in which the market sets the cost of capital and the ratings of financial assets, rather than central banks determining prices as a result of unusually liberal monetary policy.

A backdrop of slowly rising interest rates may be consistent with continued economic growth, but it increases the risk of fragile links in the economy being put under stress. Although at this stage they are probably just taking some pressure off the accelerator, when the Fed hits the brakes, those without seatbelts risk hitting the windscreen.

With this in mind, our Investment Manager continues to take a selective approach to investing in undervalued stocks in the market, as well as mispriced merger arbitrage opportunities. Even when wider market indices are towards the high end of historical valuation ranges, the same does not apply for all stocks, and a market as deep as the U.S. offers opportunities for a research driven approach to discover attractively valued shares.

**Andrew Bell**

Chairman

20 November 2017

# Investment Manager's review

## Gabelli Methodology

Gabelli Funds would like to thank our investors for allocating a portion of their assets to the Gabelli Value Plus+ Trust ("GVP"). We appreciate the confidence and trust you have offered our organisation through your investment in GVP. Today, as we have for over forty years, we remain vigilant in the application of our investment philosophy and in our search for opportunities. In this context, let us outline our investment methodology and the investment environment through 30 September 2017.

We at Gabelli are active, bottom up, value investors who seek to achieve real capital appreciation relative to inflation over the long term, regardless of market cycles. We achieve returns through investing in businesses, utilising our proprietary Private Market Value ("PMV") with a Catalyst™ methodology. PMV is the value that we believe an informed buyer would be willing to pay to acquire an entire company in a private transaction. Our team arrives at a PMV valuation by a rigorous assessment of fundamentals from publicly available information and judgement gained from our comprehensive, accumulated knowledge of a variety of sectors. We focus on the balance sheet, earnings, free cash flow, and the management of prospective companies. We are not index benchmarked, and we construct portfolios agnostic of market capitalisation and index weightings. We have invested this way since 1977.

Our research process identifies differentiated franchise businesses, typically with strong organic cash flow characteristics, balance sheet opportunities, and operational flexibility. We seek to identify businesses whose securities trade in the public markets at a significant discount to our estimates of their PMV, or "Margin of Safety." Having identified such securities, we look to identify one or more "catalysts" that will narrow or eliminate the discount associated with that "Margin of Safety." Catalysts can come in many forms, including, but not limited to, corporate restructurings (such as de-mergers and asset sales), operational improvements, regulatory or managerial changes, special situations (such as liquidations), and mergers and acquisitions.

It is through this process of bottom-up stock selection and the implementation of disciplined portfolio construction that we expect to create value for our shareholders.

## Observations

Although we usually do not discuss the weather on these pages, a total of three hurricanes recently impacted the United States: Harvey, which hit Texas; Irma, which hit Florida; and Maria, which hit Puerto Rico. All three hurricanes were major events that caused tens of billions of dollars in damages and impacted millions of people. The Federal government agreed to pay billions of dollars in emergency funds to help the affected areas, and we hope this will serve as a catalyst to help a new infrastructure bill pass Congress over the next year.

In Washington, D.C., the Trump administration was not able to move forward with any legislation related to health care reform, but, right at quarter end, the administration did propose an outline for much needed tax reform. We are hopeful that Congress will come together in a bipartisan manner and pass most, although probably not all, of the reforms proposed by the administration.

## Investment Manager's review continued

Specifically, the Trump administration is proposing that corporate tax rates come down dramatically, from 35% under current law to 20%. Right now, the 35% corporate tax rate of U.S.-based companies is the highest in the developed world, and it is a major reason why many companies are choosing to relocate to different countries. However, due to the large number of tax deductions, U.S. companies in aggregate usually only pay an effective tax rate just below 25%. The administration hopes to get rid of most of those tax loopholes and make the statutory rate much closer to the effective tax rate, which most economists agree would be good for the economy.

### The Economy

The U.S. economy continues to grow at a modest pace. The days of 4% real gross domestic product (GDP) growth are over, and it has been a long time since we saw a year of 3% growth, although we are happy to report that second quarter 2017 real gross domestic product was calculated to be 3.1% versus the 1.2% that was calculated for the first quarter of 2017. Part of the slowdown in real GDP growth can be attributed to demographics – slower population growth and an aging workforce. We seem to be stuck in an annual real growth range of 1.5% to 2.5%. That has been the case since this recovery commenced in July 2009. Although the Trump administration would like to get the economy growing at a 3% real rate once again, the odds of that happening in 2017 are very dim. Growth this year will once again probably be about 2.0%. The bad news is this is the slowest expansion on record. The good news is that it is one of the longest. Slow and steady is a recipe for enduring growth. There are certainly policy prescriptions that could elevate us out of this 2% growth range, some of which the Trump administration is advancing, such as tax reform and infrastructure spending, but the likelihood of achieving such legislation through Congress remains to be seen.

### The Markets

The Federal Reserve has been on a path of raising short term interest rates slowly to a more normalized level. After the financial crisis, the Fed slashed short term interest rates down to near zero, but now rates are at 1.25% after three increases over the past four quarters by the Fed. We expect that gradual increases will continue, and, that by this time next year, short term rates will be around 2.0%. In addition to raising short term interest rates gradually, the Fed is also beginning to unwind its massive \$4.5 trillion asset portfolio, which it built up during the quantitative easing, or QE period. We expect the unwinding will be very gradual, whereby some maturing securities will not be reinvested, and the whole process will go on for many years.

Investors are facing an acute shortage of good income generating opportunities. While not a realistic choice for some investors, stocks must play a larger role overall in meeting investors' income needs. At this writing, 37% of the stocks in the S&P 500 Index have dividend yields that are higher than the ten year U.S. Treasury yield, which is currently about 2.3%. Stocks offer compelling current income and growth of income for investors who can tolerate stock market volatility. Stocks also offer the potential for growth in capital over time. It is hard to imagine growing capital by investing in bonds at historically low interest rates. We are probably in the final innings of a thirty-five year bull market in bonds.



### Select Portfolio Holdings, as at 30 September 2017

Bank of New York Mellon Corp. (BK - \$53.00 - NYSE) is a global leader in providing financial services to institutions and individuals. The company operates in more than one hundred markets worldwide, and strives to be the global provider of choice for investment management and investment services. As of June 2017, the firm had \$31.1 trillion in assets under custody and \$1.8 trillion in assets under management. Going forward, we expect BK to benefit from rising global incomes and the cross border movement of financial transactions. We also believe BK is well positioned to grow earnings in a rising interest rate environment, given its large customer cash deposits and significant loan book.

HERC Holdings Inc. (HRI - \$49.13 - NYSE), based in Bonita Springs, Florida, is the third largest equipment rental company in the United States, after United Rentals and Sunbelt Rentals (owned by Ashtead). HRI was spun out of former parent Hertz on June 30, 2016. Underemphasized as part of a significantly larger car rental company, HRI now has the opportunity to improve profitability to levels more commensurate with peers as a standalone entity. Ultimately, we view HRI as an attractive acquisition candidate.

Navistar International Corp. 4 (NAV - \$44.06 - NYSE), based in Lisle, Illinois, manufactures Class 4-8 trucks, buses, and defense vehicles, as well as diesel engines and parts for the commercial trucking industry. NFC, a wholly-owned subsidiary, provides financing of products sold by the company's truck segment. In September 2016, Navistar and Volkswagen (VW) Truck & Bus announced a long anticipated strategic alliance, in which the two truck manufacturers would share technology and purchasing efforts in exchange for VW taking a \$256 million stake (16.6%) in Navistar. The deal, which closed on March 1, 2017, confirms our thesis that NAV would eventually be targeted by a larger global capital equipment manufacturer. We believe this initial investment should lead to an eventual full purchase in the years ahead.

PNC Financial Services Group Inc. (PNC - \$134.73 - NYSE) is one of the nation's largest diversified financial services organizations, providing retail and business banking, residential mortgage banking, specialized services for corporations and government entities including corporate banking, real estate finance, and asset backed lending, wealth management, and asset management. As of June 30, 2017, the asset management division had approximately \$141 billion under management. The firm has a strong corporate leadership, with a conservative approach to balance sheet management.

Republic Services Inc. (RSG - \$66.05 - NYSE), based in Phoenix, Arizona, became the second largest solid waste company in North America after its acquisition of Allied Waste Industries in December 2008. Republic provides nonhazardous solid waste collection services for commercial, industrial, municipal, and residential customers in 39 states and Puerto Rico. Republic serves more than 2,800 municipalities, and operates 192 landfills, 204 transfer stations, 333 collection operations, and 64 recycling facilities. Since the Allied merger, Republic has benefited from synergies driven by route density, beneficial use of acquired assets, and reduction in redundant corporate overhead. Republic is committed to its core solid waste business. While other providers have strayed into alternative waste resource technologies and

## Investment Manager’s review continued

strategies, we view Republic’s plan to remain steadfast in the traditional solid waste business positively. We expect continued solid waste growth acquisitions, earnings improvement, and incremental route density and organic growth in already established markets to generate real value in the near to medium term, highlighting the company’s potential.

Ryman Hospitality Properties Inc. (RHP – \$62.50 – NYSE) is the owner/operator of four large convention-centric hotels under the Gaylord brand. It also owns the Opryland brand and entertainment complex in Nashville, the city of its origin. As such, it has benefited from the growth in country music and consumer preference for live entertainment. The company’s hotels are group-centric, and revenues and bookings have remained strong due to its long and steady economic expansion in the United States. Future growth should come from new hotels (probably established as joint ventures), as well as development of additional live entertainment venues, one of which will open in Times Square in New York City later this year. The company operates as a REIT (real estate investment trust), providing an extra level of tax efficiency to enhance its investment attraction. Given the low level of interest rates, the company’s tax efficient dividend stream provides significant investor protection, as does the consistency of its cash flow.

### Investing in Announced Takeovers

As we have written in the past, we believe we are in what we refer to as the “fifth wave” of merger deal activity since World War II, and that the environment for more deals will remain robust. Total deal volume for the first nine months ended September 30, 2017 stands at \$2.4 trillion. This represents an increase of 3% over the same period last year. If one looks at only deals that are worth greater than \$1 billion, then that number stands at \$1.5 trillion, which is flat compared with last year’s first nine months. In summary, corporate confidence is strong and (y)our portfolio stands to benefit from this deal activity.

We set out some examples of our merger arbitrage positions that have recently completed or are pending.

### Select Deals that have been completed through 30 September 2017:

Date Announced	Target Entity	Acquirer	Value (\$ millions)	Premium Paid (%)
24/07/17	WebMD	Internet Brands	2,594	15.8
04/07/17	Monogram Residential Trust	GIC Pte	3,404	22.5
28/06/17	Spectranetics	Koninklijke Philips NV	2,001	33.2
09/01/17	VCA Inc.	Mars Inc.	8,793	37.9
03/10/16	Cabela’s	Bass Pro Outdoor World	5,000	22.2

**Select Pending Deals as at 30 September 2017:**

Date Announced	Target Entity	Acquirer	Value (\$ millions)	Premium Paid (%)
21/09/17	Calgon Carbon Corp.	Kuraray Co.	1,329	68.3
19/09/17	Bob Evans Farms Inc.	Post Holdings Inc.	1,614	14.9
18/09/17	Orbital ATK	Northrop Grumman Corp.	9,168	24.5
06/09/17	Landauer	Fortive Inc.	728	10.1
03/07/17	Bankrate Inc.	Red Ventures	1,366	21.1

**Summary**

The Gabelli process of securities selection – identifying and valuing businesses from the perspective of an owner or strategic buyer – orients the portfolio to a variety of catalyst-driven situations that may eventually lead to a takeover or merger. In this context, after a merger or acquisition is announced, we may deem it attractive to remain invested in the announced merger transaction. We also actively seek announced transactions that meet our criteria as independent investments that we hold until closure. This approach is known as traditional merger arbitrage investing, with the return potential based on the “spread” – the announced acquisition price relative to the current market price. We believe that these announced merger investments offer an attractive return component to our investment programme, with returns contingent on the closing of a transaction and generally unrelated to the broader market conditions. Our approach to traditional merger investing is a natural extension of our long standing, research-driven investment process, and is utilized in the Company as we seek capital appreciation independent of broad market movements. Investing in announced takeovers has historically provided consistent returns, uncorrelated with traditional equities and bonds, while preserving capital in volatile equity markets. Additionally, since the “spread” or return in a given transaction is based upon the risk free rate plus the transaction’s risk premium, a rising interest rate environment should lead to wider “spreads,” and thus a more attractive return profile.

# Portfolio summary

## Largest holdings

	(Unaudited) As at 30 September 2017	
	Market value £000	% of total portfolio
Republic Services Inc.	6,154	4.5
Bank of New York Mellon Corp.	5,017	3.7
PNC Financial Services Group	4,670	3.4
Herc Holdings Inc.	4,577	3.3
The E W Scripps Co.	3,988	2.9
Navistar International Corp.	3,711	2.7
Myers Industries Inc.	2,904	2.1
State Street Corp.	2,847	2.1
Mueller Industries Inc.	2,761	2.0
Ryman Hospitality Properties	2,562	1.9
Viacom Inc.	2,349	1.7
Hertz Global Holdings Inc.	2,232	1.6
Tredegar Corp.	2,119	1.6
Westar Energy Inc.	1,996	1.5
Discovery Communications	1,984	1.5
National Fuel Gas Co.	1,856	1.4
Liberty Media Corp. Braves	1,836	1.4
Time Warner Inc.	1,679	1.2
Morgan Stanley	1,652	1.2
Harris Corp.	1,619	1.2
<b>Sub-total</b>	<b>58,513</b>	<b>42.9</b>
Other holdings	50,951	37.4
Net cash & Equivalents	26,836	19.7
<b>Total holdings</b>	<b>136,300</b>	<b>100.0</b>

## Portfolio distribution (%)\*

	(Unaudited) As at 30 September 2017			
	Portfolio of GVP	S&P 500	Russell 3000	Russell 3000 Value
Consumer Discretionary	24.0	11.9	12.3	7.1
Industrials	23.5	10.2	10.8	8.7
Financials	22.2	14.6	15.0	26.2
Materials	6.6	3.0	3.5	3.1
Information Technology	6.2	23.2	22.3	8.2
Utilities	3.8	3.1	3.1	6.2
Health Care	3.5	14.5	13.9	13.3
Consumer Staples	3.0	8.2	7.3	8.2
Real Estate	2.3	3.0	4.1	5.6
Energy	1.6	6.1	5.7	10.4
Telecommunication Services	1.4	2.2	2.0	3.0
Other	1.9	0.0	0.0	0.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

\* Excludes cash and short term investments.

## By asset class (%)

	As at 30 September 2017	As at 31 March 2017
Equities	80.4	83.3
Fixed income investments	-	0.3
Cash and short term investments	19.6	16.4
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

# Regulatory disclosures

## Principal Risks and Uncertainties

The principal risks and uncertainties faced by the Company were explained in detail within the Annual Report for the period ended 31 March 2017. In the Board's opinion, the result of the UK referendum on 23 June 2016, when the UK resolved to leave the European Union, presents a new risk factor, given the lack of precedent to act as a guide. Given this uncertainty, the volatility in the markets could continue until clarity emerges on the future relationship between the UK and Europe. Other than this, the Directors are not aware of any other new risks or uncertainties, or any changes to those risks and uncertainties stated within the Annual Report, which are applicable to the remaining six months of the financial year, as they were to the period under review.

## Related Party Transactions

Details of related party transactions can be found in Note 8 of the financial statements. Other than this, there have been no changes to related party transactions detailed in the Company's Annual Report for the period ended 31 March 2017, nor have there been any related party transactions during the period under review, which have materially affected the financial position or performance of the Company.

## Going Concern

The Directors believe, having considered the Company's investment objectives, risk management policies, capital management policies and procedures, nature of the portfolio and expenditure projections, that the Company has adequate resources, an appropriate financial structure, and suitable management arrangements in place to continue in operational existence for the foreseeable future and, more specifically, that there are no material uncertainties pertaining to the Company that would prevent its ability to continue in such operational existence for at least twelve months from the date of the approval of this half-yearly financial report. For these reasons, the Directors consider there is reasonable evidence to continue to adopt the going concern basis in preparing the accounts.

## Directors' Responsibility Statement

The Board of Directors confirms that, to the best of its knowledge:

- the condensed financial statements have been prepared in accordance with Financial Reporting Standard (FRS 104) applicable in the UK and Republic of Ireland, which forms part of the revised Generally Accepted Accounting Practice (New UK GAAP) issued by the Financial Reporting Council (FRC) in 2015; and
- the half-yearly management report includes a fair review of the information required by section 4.2.7R and 4.2.8R of the UK Listing Authority's Disclosure Guidance and Transparency Rules.

In order to provide these confirmations, and in preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

and the Directors confirm that they have done so.

For and on behalf of the Board

**Andrew Bell**

Chairman

20 November 2017

# Condensed statements of comprehensive income

	Note	(Unaudited) Half year ended 30 September 2017		
		Revenue £000	Capital £000	Total £000
Dividend income		828	-	828
Interest on fixed income securities		5	-	5
Interest on deposits		10	-	10
<b>Total dividends and interest</b>		<b>843</b>	<b>-</b>	<b>843</b>
Net realised and unrealised (losses)/gains on investments	3	-	(1,308)	(1,308)
Net realised and unrealised currency (losses)/gains		(8)	(670)	(678)
Investment management fee		(164)	(491)	(655)
Other expenses		(250)	(7)	(257)
<b>Net return on ordinary activities before finance costs and taxation</b>		<b>421</b>	<b>(2,476)</b>	<b>(2,055)</b>
Interest expense and similar charges		(29)	-	(29)
<b>Net return on ordinary activities before taxation</b>		<b>392</b>	<b>(2,476)</b>	<b>(2,084)</b>
Taxation on ordinary activities	4	(118)	-	(118)
<b>Net returns attributable to shareholders</b>		<b>274</b>	<b>(2,476)</b>	<b>(2,202)</b>
<b>Net returns per ordinary share - basic and diluted</b>	6	<b>0.27p</b>	<b>(2.47p)</b>	<b>(2.20p)</b>

The total columns of these statements are the profit and loss accounts of the Company for respective periods.

The revenue and capital items are presented in accordance with the AIC's Statement of Recommended Practice ('SORP') 2014.

All revenue and capital items in the above statements derive from continuing operations.

No operations were acquired or discontinued in the half year ended 30 September 2017.

The notes on pages 19 to 26 form part of these financial statements.



(Unaudited) Half year ended 30 September 2016			(Audited) Year ended 31 March 2017		
Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000
895	-	895	2,443	-	2,443
5	-	5	10	-	10
-	-	-	2	-	2
<b>900</b>	<b>-</b>	<b>900</b>	<b>2,455</b>	<b>-</b>	<b>2,455</b>
-	17,376	17,376	-	36,249	36,249
13	196	209	19	344	363
(127)	(381)	(508)	(287)	(861)	(1,148)
(231)	-	(231)	(483)	-	(483)
<b>555</b>	<b>17,191</b>	<b>17,746</b>	<b>1,704</b>	<b>35,732</b>	<b>37,436</b>
(8)	-	(8)	(13)	-	(13)
<b>547</b>	<b>17,191</b>	<b>17,738</b>	<b>1,691</b>	<b>35,732</b>	<b>37,423</b>
(143)	-	(143)	(383)	-	(383)
<b>404</b>	<b>17,191</b>	<b>17,595</b>	<b>1,308</b>	<b>35,732</b>	<b>37,040</b>
<b>0.40p</b>	<b>17.19p</b>	<b>17.59p</b>	<b>1.31p</b>	<b>35.75p</b>	<b>37.06p</b>

# Condensed statements of changes in equity

## Half year ended 30 September 2017 (Unaudited)

	Note	Called up Share Capital £000	Special Distributable Reserve* £000	Capital Reserve £000	Revenue Reserve* £000	Total £000
Net assets as at 1 April 2017		1,001	98,200	39,223	1,394	139,818
Realised gains on investments at fair value		-	-	2,972	-	2,972
Capital distributions received		-	-	23	-	23
Unrealised losses on investments at fair value		-	-	(4,303)	-	(4,303)
Realised currency losses		-	-	(670)	-	(670)
Capital expenses		-	-	(498)	-	(498)
Ordinary shares bought back into treasury	7	-	(115)	-	-	(115)
Transfer to revenue reserve for the period		-	-	-	274	(274)
Dividends paid	5	-	-	-	(1,201)	(1,201)
<b>Net assets as at 30 September 2017</b>	<b>6</b>	<b>1,001</b>	<b>98,085</b>	<b>36,747</b>	<b>467</b>	<b>136,300</b>

## Half year ended 30 September 2016 (Unaudited)

Net assets as at 1 April 2016		1,001	98,099	3,491	386	102,977
Realised gains on investments at fair value		-	-	4,707	-	4,707
Capital distributions received		-	-	23	-	23
Unrealised gains on investments at fair value		-	-	12,646	-	12,646
Realised currency gains		-	-	196	-	196
Capital expenses		-	-	(381)	-	(381)
Ordinary shares bought back into treasury	7	-	(225)	-	-	(225)
Transfer to revenue reserve for the period		-	-	-	404	404
Dividends paid	5	-	-	-	(300)	(300)
<b>Net assets as at 30 September 2016</b>	<b>6</b>	<b>1,001</b>	<b>97,874</b>	<b>20,682</b>	<b>490</b>	<b>120,047</b>

## Year to 31 March 2017 (Audited)

	Note	Called up Share Capital £000	Special Distributable Reserve* £000	Capital Reserve £000	Revenue Reserve* £000	Total £000
Net assets as at 1 April 2016		1,001	98,099	3,491	386	102,977
Realised gains on investments at fair value		-	-	11,767	-	11,767
Capital distributions received		-	-	25	-	25
Unrealised gains on investments at fair value		-	-	24,457	-	24,457
Realised currency gains		-	-	344	-	344
Capital expenses		-	-	(861)	-	(861)
Ordinary shares bought back into treasury	7	-	(431)	-	-	(431)
Sale of treasury shares	7	-	532	-	-	532
Transfer to revenue reserve for the year		-	-	-	1,308	1,308
Dividends paid	5	-	-	-	(300)	(300)
<b>Net assets as at 31 March 2017</b>	<b>6</b>	<b>1,001</b>	<b>98,200</b>	<b>39,223</b>	<b>1,394</b>	<b>139,818</b>

\*These reserves are distributable.

The notes on pages 19 to 26 form part of these financial statements.

# Condensed statements of financial position

	Note	(Unaudited) As at 30 September 2017		(Unaudited) As at 30 September 2016		(Audited) As at 31 March 2017	
		£000	£000	£000	£000	£000	£000
<b>Fixed assets</b>							
Investments at fair value through profit or loss	3		109,464		119,510		116,671
<b>Current assets</b>							
Cash		26,770		(1,490)		22,848	
Receivables		536		4,101		732	
		27,306		2,611		23,580	
<b>Current liabilities</b>							
Payables		(470)		(2,074)		(433)	
<b>Net current assets</b>			26,836		537		23,147
<b>Net assets</b>			136,300		120,047		139,818
<b>Capital and reserves</b>							
Called-up share capital	7	1,001		1,001		1,001	
Special distributable reserve*		98,085		97,874		98,200	
Capital reserve		36,747		20,682		39,223	
Revenue reserve*		467		490		1,394	
<b>Total shareholders' funds</b>			136,300		120,047		139,818
<b>Net asset value per ordinary share of 1p</b>	6		<b>136.3p</b>		<b>120.2p</b>		<b>139.7p</b>

\* These reserves are distributable.

Gabelli Value Plus+ Trust Plc is registered in England and Wales under company number 9361576.

The financial statements on pages 14 to 18 were approved by the Board of Directors on 20 November 2017 and signed on its behalf by

**Andrew Bell**  
Chairman

The notes on pages 19 to 26 form part of these financial statements.

# Notes to the condensed financial statements

## 1 Condensed financial statements

The half yearly report has not been audited by the Company's auditors.

## 2 Accounting policies

**Basis of preparation** – For the half years ended 30 September 2017 and 2016, the Company applied FRS 104 – Interim Financial Reporting and for the year ended 31 March 2017, the Company applied FRS 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland, which forms part of the revised Generally Accepted Accounting Practice (New UK GAAP) issued by the Financial Reporting Council ('FRC') in 2015.

These condensed financial statements have been prepared on a going concern basis in accordance with the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority (FRS 102 and FRS 104), the revised Statement of Recommended Practice "Financial Statements of Investment Trust Companies and Venture Capital Trusts" (SORP) issued by the AIC in November 2014 and Companies Act 2006.

The accounting policies applied for the condensed set of financial statements are set out in the Company's Annual Report for the year ended 31 March 2017.

**Statement of estimation uncertainty** – In the application of the Company's accounting policies, the Investment Manager is required to make judgements, estimates, and assumptions about carrying values of assets and liabilities that are not always readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may vary from these estimates. There have been no significant judgements, estimates, or assumptions for the period.

**Cash flow statement** – The statement of cash flows has not been included in the financial statements as the Company meets the conditions set out in paragraph 7.1A of FRS 102, which state that a statement of cashflows is not required to be provided by investment funds that meet all of the following conditions:

- (i) substantially all of the entity's investments are highly liquid;
- (ii) substantially all of the entity's investments are carried at market value; and
- (iii) the entity provides a statement of changes in net assets.

# Notes to the condensed financial statements continued

## 3 Investments at fair value through profit or loss

	(Unaudited) As at 30 September 2017 £000	(Unaudited) As at 30 September 2016 £000	(Audited) As at 31 March 2017 £000
Opening valuation	116,671	88,466	88,466
Opening unrealised gains/(losses) on investments	(23,249)	1,208	1,208
Opening cost	93,422	89,674	89,674
Add: additions at cost	2,526,452	97,523	1,039,912
Less: disposals at cost	(2,529,356)	(79,125)	(1,036,164)
Closing cost	90,518	108,072	93,422
Closing unrealised gains on investments	18,946	11,438	23,249
<b>Closing valuation</b>	<b>109,464</b>	<b>119,510</b>	<b>116,671</b>

### Fair value hierarchy

The Company has adopted the 'Amendments to FRS 102 – Fair value hierarchy disclosure', where an entity is required to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy shall have the following levels:

- Level 1 – The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable, i.e., developed using market data, for the asset or liability, either directly or indirectly.
- Level 3 – Inputs are unobservable, i.e., for which market data are unavailable, for the asset or liability.

The financial assets measured at fair value through profit or loss in the financial statements are grouped into the fair value hierarchy as follows:

	As at 30 September 2017 (Unaudited)			
	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
<b>Financial assets at fair value through profit or loss</b>				
Quoted equities	109,464	-	-	109,464
<b>Net fair value</b>	<b>109,464</b>	<b>-</b>	<b>-</b>	<b>109,464</b>

	As at 30 September 2016 (Unaudited)			
	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
<b>Financial assets at fair value through profit or loss</b>				
Quoted equities	119,510	-	-	119,510
<b>Net fair value</b>	<b>119,510</b>	<b>-</b>	<b>-</b>	<b>119,510</b>

	As at 31 March 2017 (Audited)			
	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
<b>Financial assets at fair value through profit or loss</b>				
Quoted equities	116,262	-	-	116,262
Fixed income investments	-	409	-	409
<b>Net fair value</b>	<b>116,262</b>	<b>409</b>	<b>-</b>	<b>116,671</b>

# Notes to the condensed financial statements continued

## 3 Investments at fair value through profit or loss continued

### Net realised and unrealised (losses)/gains on investments

	(Unaudited) Half year ended 30 September 2017 £000	(Unaudited) Half year ended 30 September 2016 £000	(Audited) Year ended 31 March 2017 £000
Realised gains on investments	2,972	4,707	11,767
Capital distributions received from investments	23	23	25
Movement in unrealised (losses)/gains on investments	(4,303)	12,646	24,457
<b>Net realised and unrealised (losses)/gains on investments</b>	<b>(1,308)</b>	<b>17,376</b>	<b>36,249</b>

### Transaction costs

During the respective periods, commissions (paid mostly to G.research, LLC, an affiliate of the Investment Manager) and other expenses were incurred in acquiring or disposing of investments classified at fair value through profit or loss. These have been expensed through capital and are within gains/(losses) in the Condensed Statements of Comprehensive Income. The total costs were as follows:

	(Unaudited) As at 30 September 2017 £000	(Unaudited) As at 30 September 2016 £000	(Audited) As at 31 March 2017 £000
Purchases	37	36	63
Sales	12	10	29
<b>Total</b>	<b>49</b>	<b>46</b>	<b>92</b>



## 4 Taxation on ordinary activities

Analysis of the charge in the period	(Unaudited) Half year ended 30 September 2017		
	Revenue £000	Capital £000	Total £000
Foreign withholding taxes on dividends	118	-	118

Analysis of the charge in the period	(Unaudited) Half year ended 30 September 2016		
	Revenue £000	Capital £000	Total £000
Foreign withholding taxes on dividends	143	-	143

Analysis of the charge in the year	(Audited) Year ended 31 March 2017		
	Revenue £000	Capital £000	Total £000
Foreign withholding taxes on dividends	383	-	383

## 5 Equity dividends

	(Unaudited) Half year ended 30 September 2017 £000	(Unaudited) Half year ended 30 September 2016 £000	(Audited) Year ended 31 March 2017 £000
Final dividend of 0.3p for the year ended 31 March 2016	-	300	-
Final dividend of 1.2p for the year ended 31 March 2017	1,201	-	-
<b>Total</b>	<b>1,201</b>	<b>300</b>	<b>-</b>

# Notes to the condensed financial statements

## continued

### 6 Return per ordinary share and net asset value

The return and net asset value per ordinary share are calculated with reference to the following amounts:

	(Unaudited) Half year ended 30 September 2017	(Unaudited) Half year ended 30 September 2016	(Audited) Year ended 31 March 2017
<b>Revenue return</b>			
Revenue return attributable to ordinary shareholders	£274,000	£404,000	£1,308,000
Weighted average number of shares in issue during period	100,098,146	100,012,749	99,946,262
<b>Total revenue return per ordinary share</b>	<b>0.27p</b>	<b>0.40p</b>	<b>1.31p</b>
<b>Capital return</b>			
Capital return attributable to ordinary shareholders	(£2,476,000)	£17,191,000	£35,732,000
Weighted average number of shares in issue during period	100,098,146	100,012,749	99,946,262
<b>Total capital return per ordinary share</b>	<b>(2.47p)</b>	<b>17.19p</b>	<b>35.75p</b>
<b>Total return</b>			
<b>Total return per ordinary share</b>	<b>(2.20p)</b>	<b>17.59p</b>	<b>37.06p</b>
<b>Net asset value per share</b>			
	(Unaudited) As at 30 September 2017	(Unaudited) As at 30 September 2016	(Audited) As at 31 March 2017
Net assets attributable to shareholders	£136,300,000	£120,047,000	£139,818,000
Number of shares in issue at the period end	100,011,001	99,881,001	100,101,001
<b>Net asset value per share</b>	<b>136.3p</b>	<b>120.2p</b>	<b>139.7p</b>

## 7 Called up share capital

	(Unaudited) As at 30 September 2017 £000	(Unaudited) As at 30 September 2016 £000	(Audited) As at 31 March 2017 £000
<i>Authorised:</i>			
250,000,000 Ordinary shares of 1p each – equity	2,500	2,500	2,500
<i>Allotted, called up and fully paid:</i>			
100,011,001 (30.09.2016 – 99,881,001; 31.03.2017 – 100,101,001) Ordinary shares of 1p each – equity	1,000	999	1,001
<i>Treasury shares:</i>			
90,000 (30.09.2016 – 220,000; 31.03.2017 – Nil) Ordinary shares of 1p each – equity	1	2	-
<b>Total shares</b>	<b>1,001</b>	<b>1,001</b>	<b>1,001</b>

During the half year ended 30 September 2017, the Company bought back 90,000 shares into treasury at a cost of £114,502. During the half year ended 30 September 2016, the Company bought back 220,000 shares into treasury at a cost of £224,643. During the year ended 31 March 2017, the Company bought back 390,000 shares into treasury at a cost of £431,105, and the Company sold 390,000 shares from treasury at £532,347.

## 8 Related party transactions

With the exception of Investment Management fees, Directors' remuneration, secretarial fees, and other administrative fees, the Company paid G.research, LLC, an affiliate of the Investment Manager, brokerage commissions on security trades of £45,703 during the half year ended 30 September 2017, £44,882 during the half year ended 30 September 2016, and £86,935 during the year ended 31 March 2017.

# Notes to the condensed financial statements continued

## 9 Contingent liabilities and commitments

As at 30 September 2017, the Company had no contingent liabilities or commitments (30 September 2016: Nil, 31 March 2017: Nil).

## 10 Half-Yearly report

The financial information contained in this half-yearly financial report does not constitute statutory accounts as defined in s434-436 of the Companies Act 2006. The financial information for the half year ended 30 September 2017 has not been audited.

## 11 Post balance sheet event

Between 1 October and 9 October 2017, 60,000 ordinary shares were bought back into treasury at a cost of £79,733.

## Company information

Please visit us on the Internet. Our homepage at [www.gabelli.co.uk](http://www.gabelli.co.uk) contains information about Gabelli Value Plus+ Trust Plc and Gabelli Funds, LLC.

We welcome your comments and questions at +44 (0) 20 3206 2100 or via e-mail at [info@gabelli.co.uk](mailto:info@gabelli.co.uk).

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Rudolf Bohli  
Jonathan Davie  
Richard Fitzalan Howard  
Kasia Robinski

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## Company information continued

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The Company is a member of **The Association of Investment Companies** (“AIC”), which publishes a number of useful fact sheets and email updates for investors interested in investment trust companies.

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