

Ellsworth Convertible Growth and Income Fund, Inc.

65 Madison Avenue Suite 550 • Morristown, New Jersey 07960-7308 • www.ellsworthfund.com

First Quarter Update - December 31, 2002 (unaudited)

Financial Highlights

Market value 12/31/02	\$7.45
Net asset value (NAV) 12/31/02	\$7.94
Market discount to NAV	(6.17)%
12-Month income distribution	\$0.34
Yield on market value	4.51%
Ratio of expenses to avg. net assets	1.22%*
Ratio of net income to avg. net assets	2.88%*
Portfolio turnover	20.51%
Shares outstanding	10,461,994

* Annualized.

Change in Net Asset Value (NAV)

	Per Share
Beginning NAV (9/30/02)	\$7.81
Changes in NAV from Operations:	
Net Investment Income	0.06
Realized Loss	(0.01)
Increase in Unrealized Loss	0.17
Total Change from Operations	0.22
Distributions:	
Net Investment Income	(0.09)
Capital Gains	0.00
Total Change from Distributions	(0.09)
Total Change	0.13
Ending NAV (12/31/02)	\$ 7.94

Major Industry Exposure as of 12/31/02

	% of Net Assets
Financial & Insurance	11.7
Retail	9.0
Aerospace & Defense	8.5
Banking/Savings & Loan	8.2
Pharmaceuticals	8.0
Technology	7.9
Health Care	6.9
Energy	5.1
Transportation	3.8
Entertainment	3.6

The portfolio holdings and industry exposure are as of December 31, 2002 and subject to change without notice.

Detailed portfolio information is available on our website (www.ellsworthfund.com). Visit us there or contact us by e-mail at info@ellsworthfund.com or call us at (973)631-1177.

Performance through 12/31/02 with dividends reinvested

	3 Months	1 Year	5 Years	10 Years
Ellsworth market value (a)	(0.17)%	(10.10)%	34.01%	193.51%
Ellsworth net asset value (b)	(9.51)	(5.20)	14.62	143.19
Closed-end conv. fund avg. (b)	(14.92)	(8.66)	1.32	106.51
S&P 500 (a)	8.44	(22.10)	(2.88)	144.16
Russell 2000 (a)	6.16	(20.48)	(5.99)	73.34(c)
Lehman Aggregate Bond Total Return Index (b)	8.55	8.60	45.81	73.34

Performance data represent past results and do not reflect future performance.

(a) From Bloomberg L.P. pricing service.

(b) From Lipper, Inc. Closed-End Fund Performance Analysis, December 31, 2002.

(c) Simple appreciation of index.

Quarterly History of NAV and Market Price

Qtr. Ended	Net Asset Values			Market Prices		
	High	Low	Close	High	Low	Close
Mar. 02	\$8.94	\$8.49	\$8.75	\$8.95	\$8.05	\$8.14
Jun. 02	8.84	8.42	8.52	8.39	7.95	8.25
Sep. 02	8.38	7.62	7.81	8.24	7.00	7.55
Dec. 02	8.06	7.51	7.94	7.90	6.95	7.45

Total Fund Investments as of 12/31/02

	(000's)	% of Net Assets
Convertible Bonds and Notes	\$ 51,580	62.1
Mandatory Convertible Securities	14,209	17.1
Convertible Preferred Stocks	12,301	14.8
Short-term Investments	4,410	5.3
Other Assets	578	0.7
Net Assets	\$ 83,078	100.0%

Largest Investment Holdings as of 12/31/02

	% of Net Assets
Washington Mutual, Inc.	2.8
General Mills, Inc.	2.5
Reinsurance Group of America, Inc.	2.3
Anixter International, Inc.	2.0
Costco Wholesale Corp.	1.9
GATX Corp.	1.9
The News Corp. Limited	1.9
Northrop Grumman Corp.	1.9
ChevronTexaco Corp.	1.8
Microsoft Corp.	1.7

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To Our Shareholders:

February 11, 2003

We are proud to announce that Ellsworth Convertible Growth and Income Fund, Inc. was awarded two Lipper Performance Achievement Certificates for ten-year performance (number one in its category of seven closed-end convertible funds) and five-year performance (number one in its category of eight closed-end convertible funds). These achievements do not guarantee future performance. Our competition includes funds run by well-known asset managers such as Gabelli Asset Management, Fred Alger & Co. and Putman Investment Management.

Our current outlook for the stock market is cautious. Iraq, the war on terror and an economy that is not improving as broadly as it should create a climate of uncertainty. Further, while we believe significant tax relief aimed at stock ownership will be very positive in improving market sentiment and in bringing back timid investors, the law's passage in its current form is not certain.

A basic premise under which this fund operates is that convertible securities can offer equity-like performance with less volatility over complete market cycles. As indicated in the Performance chart of this First Quarter Update, the Fund outperformed the Lipper Closed-end Convertible Fund average and the Russell 2000 index for the one year, five years and ten years ended December 31, 2002. The Fund also outperformed the S&P 500 index for the same one-year and five-year periods. We believe that past outperformance of these important indices and our peer category, while no guarantee of future returns, is an historical validation of this premise.

The Fund's website www.ellsworthfund.com contains press releases, dividend information and daily net asset values. The Closed-End Fund Association (www.cefa.com), of which the Fund is a member, is another source of information on many closed-end funds.* Based upon data through January 31, 2003, Morningstar** has continued to rate Ellsworth's performance at four stars (above average) overall as measured on their "Quicktake Report" on their website. Shareholders who wish to obtain a copy of the most recent report on the Fund issued by Standard and Poor's should contact us.

At the January meeting of shareholders, William A. Benton, George R. Lieberman and Jane D. O'Keeffe were elected to three-year terms as directors of the company. PricewaterhouseCoopers, LLP was ratified as the Company's independent accountants for the 2003 fiscal year. We thank you for your participation and support.

At its January meeting, the Board of Directors declared a dividend of 7.5 cents per share payable February 27, 2003 to shareholders of record February 13, 2003.

January 31 marked the partial retirement of the only Chief Financial Officer the Fund has had. Sigmund Levine has been at his post since May, 1986 when the Fund came into existence. He has played an important role in its success over the years. He will continue on as Secretary of the Fund. We wish him well. Sigmund is succeeded as Chief Financial Officer by Gary I. Levine, who has served as Treasurer of the Fund since 1993 and was elected Vice President in 2002.



Thomas H. Dinsmore
Chairman of the Board


* The Closed-End Fund Association is solely responsible for the content of its website.

** Morningstar is a mutual fund analysis and statistical reporting service that reports on and rates most mutual funds. It is solely responsible for the content of its website.

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Stock Exchange Listing

AMEX - Symbol: ECF



Portfolio of Investments December 31, 2002 (unaudited)

Principal Amount or Shares		Value
	ADVERTISING — 3.3%	
\$1,550,000	The Interpublic Group Cos., Inc. 1.80% 2004 cv. sub. notes (BB+)	\$1,356,924
1,500,000	WPP Group plc 3% 2005 cv. sub. notes (Baa1)	1,423,260
		<u>2,780,184</u>
	AEROSPACE & DEFENSE — 8.5%	
1,625,000	GenCorp, Inc. 5.75% 2007 cv. sub. notes 144A (B1)	1,378,203
1,500,000	The Goldman Sachs Group, Inc. 1.00% 2009 exh. equity-linked notes * (Aa3) (exch. for General Dynamics Corp. common stock)	1,431,450
750,000	L-3 Communications Holdings, Inc. 5.25% 2009 cv. sr. sub. notes 144A (Ba3) ..	966,713
250,000	L-3 Communications Holdings, Inc. 4.40% 2011 sr. sub. cv. CODES * (Ba3) ...	281,269
15,000 shs	Northrop Grumman Corp. 7.25% equity units ** (NR)	1,616,100
20,000 shs	RC Trust I 8.25% equity security units ** (Ba2) (exch. for Raytheon Co. class B common stock)	1,092,000
700,000	SPACEHAB, Inc. 8% 2007 cv. sub. notes 144A (NR)	315,000
		<u>7,080,735</u>
	AUTOMOTIVE — 3.2%	
20,000 shs	Ford Motor Co. Capital Trust II 6.50% cv. pfd. (Baa2) (exch. for Ford Motor Co. common stock)	817,000
35,500 shs	General Motors Corp. series B cv. sr. deb. (A3)	820,050
2,500,000	Lear Corp. 0% 2022 cv. sr. notes 144A (Ba1)	1,042,188
		<u>2,679,238</u>
	BANKING/SAVINGS & LOAN — 8.2%	
20,000 shs	Commerce Capital Trust II 5.95% cv. trust pfd. 144A (Baa1) (exch. for Commerce Bancorp common stock)	1,118,750
40,000 shs	National Australia Bank Ltd. 7.875% exh. capital units (A2)	1,302,000
20,000 shs	New York Community Bancorp, Inc. 6% BONUSSES units (Ba1)	1,029,800
40,000 shs	Provident Financial Group, Inc. 9% PRIDES ** (Baa1)	1,052,000
35,000 shs	Washington Mutual Capital Trust PIERS units 144A (Baa1) (exch. for Washington Mutual, Inc. common stock)	1,789,375
10,000 shs	Washington Mutual Capital Trust PIERS units (Baa1) (exch. for Washington Mutual, Inc. common stock)	511,250
		<u>6,803,175</u>
	CABLE — 1.3%	
1,000,000	Charter Communications, Inc. 5.75% 2005 cv. sr. notes (Caa2)	230,000
42,500 shs	Equity Securities Trust II 6.25% ** (NR) (exch. for Cablevision Systems Corp. common stock)	846,680
		<u>1,076,680</u>
	CONSUMER GOODS — 1.4%	
16,300 shs	Newell Financial Trust I 5.25% (Baa2) (exch. for Newell Rubbermaid, Inc. common stock)	740,102
	DATA-PROCESSING SERVICES — 1.4%	
1,000,000	The BISYS Group, Inc. 4% 2006 cv. sub. notes 144A (NR)	944,125
250,000	The BISYS Group, Inc. 4% 2006 cv. sub. notes (NR)	236,031
		<u>1,180,156</u>
	ENERGY — 5.1%	
500,000	Devon Energy Corp. 4.90% 2008 cv. sub. deb. * (Baa2) (conv. into ChevronTexaco Corp. common stock)	504,480
1,000,000	Devon Energy Corp. 4.95% 2008 cv. sub. deb. * (Baa2) (conv. into ChevronTexaco Corp. common stock)	1,011,460
1,300,000	Kerr-McGee Corp. 5.25% 2010 cv. sub. deb. (Baa2)	1,419,470
30,000	Kerr-McGee Corp. 5.50% 2004 DECS ** (Baa2) (exch. for Devon Energy Corp. common stock)	1,284,000
		<u>4,219,410</u>

Portfolio of Investments December 31, 2002 (continued)

Principal Amount or Shares		Value
ENTERTAINMENT — 3.6%		
10,000 shs	Emmis Communications Corp. 6.25% series A cum.cv. pfd. (Caa1)	\$ 397,500
\$3,000,000	News America, Inc. 0% 2021 LYONs 144A (Baa3) (exch. for ADSs representing The News Corp. Limited common stock)	1,567,650
1,000 shs	Radio One, Inc. 6.50% HIGH TIDES (B3)	996,125
		<u>2,961,275</u>
FINANCIAL & INSURANCE — 11.7%		
50,000 shs	Capital One Financial Corp. 6.25% Upper DECS ***(Baa3)	1,432,500
40,000 shs	The Chubb Corp. 7% equity units ***(A1)	958,000
40,000 shs	Platinum Underwriters Holdings, Ltd. 7% equity security units ***(NR)	1,134,000
22,500 shs	Prudential Financial Capital Trust I 6.25% equity security units ***(A3) (exch. for Prudential Financial, Inc. common stock)	1,227,825
40,000 shs	Reinsurance Group of America, Inc. 5.75% PIERS (Baa2)	1,884,000
1,000,000	Swiss Re America Holding Corp. 3.25% 2021 euro. sub. cv. bonds 144A (Aa1) (conv. into Swiss Reinsurance Company common stock)	886,250
40,000 shs	Travelers Property Casualty Corp. 4.50% 2032 cv. jr. sub. notes (A2)	895,000
1,500,000	XL Capital, Ltd. 0% 2021 cv. deb. 144A * (A1)	959,325
500,000	XL Capital, Ltd. 0% 2021 cv. deb. * (A1)	319,775
		<u>9,696,675</u>
FOODS — 2.5%		
2,900,000	General Mills, Inc. 0% 2022 cv. sr. deb. 144A * (Baa2)	2,088,000
HEALTH CARE — 6.9%		
750,000	AmerisourceBergen Corp. 5% 2007 cv. sub. notes 144A (Ba3)	964,050
1,000,000	Community Health Systems, Inc. 4.25% 2008 cv. sub. notes (B3)	993,600
500,000	LifePoint Hospitals, Inc. 4.50% 2009 cv. sub. notes 144A (B3)	502,500
500,000	LifePoint Hospitals, Inc. 4.50% 2009 cv. sub. notes (B3)	502,500
1,000,000	Medtronic, Inc. 1.25% 2021 cv. deb. * (A1)	1,051,875
1,000,000	Province Healthcare Company 4.25% 2008 cv. sub. notes 144A (B3)	788,750
600,000	Sunrise Assisted Living, Inc. 5.25% 2009 cv. sub. notes 144A (B1)	572,625
400,000	Sunrise Assisted Living, Inc. 5.25% 2009 cv. sub. notes (B1)	381,750
		<u>5,757,650</u>
OFFICE EQUIPMENT — 1.7%		
1,250,000	IOS Capital, LLC 5% 2007 cv. sub. notes 144A (Baa3) (exch. for IKON Office Solutions, Inc. common stock)	1,109,375
500,000	Xerox Corp. 0.57% 2018 cv. sub. deb. (B3)	317,500
		<u>1,426,875</u>
PAPER & PAPER PRODUCTS — 1.4%		
25,000 shs	Temple-Inland, Inc. 7.50% Upper DECS ***(Baa3)	1,134,750
PHARMACEUTICALS — 8.0%		
1,300,000	Alza Corp. 0% 2020 cv. sub. deb. (Aa1) (exch. for Johnson & Johnson common stock)	1,020,500
750,000	Cephalon, Inc. 2.50% 2006 cv. sub. notes 144A (NR)	697,350
500,000	Cephalon, Inc. 2.50% 2006 cv. sub. notes (NR)	464,900
500,000	Gilead Sciences, Inc. 2% 2007 cv. sr. notes (NR)	517,878
1,500,000	Ivax Corp. 5.50% 2007 cv. sr. sub. notes (NR)	1,372,500
750,000	Ligand Pharmaceuticals, Inc. 6% 2007 cv. sr. sub. notes 144A (NR)	839,063
800,000	Sepracor, Inc. 7% 2005 cv. sub. deb. 144A (CCC+)	669,000
1,000,000	Teva Pharmaceutical Finance B.V. 0.375% 2022 cv. sub. deb. (BBB-) (exch. for Teva Pharmaceuticals Industries Ltd. ADRs)	1,058,500
		<u>6,639,691</u>

Portfolio of Investments December 31, 2002 (continued)

Principal Amount or Shares		Value
	REAL ESTATE — 1.2%	
\$1,000,000	Federal Realty Investment Trust 5.25% 2003 cv. sub. deb. (Baa3)	\$ 995,000
	RETAIL — 9.0%	
1,015,000	Barnes & Noble, Inc. 5.25% 2009 cv. sub. notes (Ba3)	955,369
500,000	Brinker International, Inc. 0% 2021 cv. sr. deb. 144A (Baa2)	346,755
500,000	Brinker International, Inc. 0% 2021 cv. sr. deb. (Baa2)	346,755
1,250,000	Charming Shoppes, Inc. 4.75% 2012 sr. cv. notes 144A (B2)	988,375
250,000	Charming Shoppes, Inc. 4.75% 2012 sr. cv. notes (B2)	197,675
500,000	Costco Wholesale Corp. 0% 2017 cv. sub. notes 144A (A3)	351,550
1,750,000	Costco Wholesale Corp. 0% 2017 cv. sub. notes (A3)	1,230,425
1,725,000	Duane Reade, Inc. 2.148% 2022 cv. sr. notes 144A (Ba3)	845,250
525,000	Duane Reade, Inc. 2.148% 2022 cv. sr. notes (Ba3)	257,250
850,000	School Specialty, Inc. 6% 2008 cv. sub. notes 144A (B+)	826,787
250,000	School Specialty, Inc. 6% 2008 cv. sub. notes (B+)	243,173
500,000	Skechers U.S.A., Inc. 4.50% 2007 cv. bonds 144A (NR)	392,500
15,000 shs	Toys “R” Us, Inc. 6.25% equity securities units ***(Baa3)	504,750
		<u>7,486,614</u>
	TECHNOLOGY — 7.9%	
500,000	Affiliated Computer Services, Inc. 3.50% 2006 cv. sub. notes 144A (Baa2)	689,700
500,000	Affiliated Computer Services, Inc. 3.50% 2006 cv. sub. notes (Baa2)	689,700
1,250,000	Analog Devices, Inc. 4.75% 2005 cv. sub. notes 144A (Baa1)	1,247,750
1,000,000	Brooks Automation, Inc. 4.75% 2008 cv. sub. notes 144A (NR)	750,625
250,000	Brooks Automation, Inc. 4.75% 2008 cv. sub. notes (NR)	187,656
1,500,000	CS First Boston, Inc. 1% 2006 medium-term exch. notes * (Aa3) (exch. for Microsoft Corp. common stock)	1,439,063
500,000	Kulicke & Soffa Industries, Inc. 4.75% 2006 cv. sub. notes (B3)	279,375
1,500,000	STMicroelectronics N.V. 0% 2009 LYONs (Baa1)	1,305,938
		<u>6,589,807</u>
	TELECOMMUNICATIONS — 2.0%	
4,000,000	Anixter International, Inc. 0% 2020 LYONs 144A (Ba3)	1,190,000
1,700,000	Anixter International, Inc. 0% 2020 LYONs (Ba3)	505,750
		<u>1,695,750</u>
	TRANSPORTATION — 3.8%	
1,000,000	Continental Airlines, Inc. 4.50% 2007 cv. notes (B2)	448,750
750,000	GATX Corp. 7.50% 2007 cv. sr. notes 144A (Baa3)	810,000
750,000	GATX Corp. 7.50% 2007 cv. sr. notes (Baa3)	810,000
1,000,000	United Parcel Service, Inc. 1.75% 2007 cash-settled cv. sr. notes (Aaa)	1,062,500
		<u>3,131,250</u>
	UTILITIES — 2.3%	
25,000 shs	American Electric Power Co., Inc. 9.25% equity units ***(Baa2)	971,250
35,000 shs	DTE Energy Co. 8.75% equity security units ***(Baa2)	955,150
		<u>1,926,400</u>
	SHORT-TERM SECURITIES — 5.3%	
4,400,000	American Express Credit Corp. (P1) (1.18% maturing 1/6/03)	4,399,135
11,000	U.S. Treasury notes 4.00% 4/30/03 # (Aaa)	11,103
		<u>4,410,238</u>

Portfolio of Investments December 31, 2002 (continued)

	Value
Total Convertible Bonds and Notes — 62.1%	\$51,579,460
Total Convertible Preferred Stocks — 14.8%	12,300,952
Total Mandatory Convertible Securities — 17.1%	14,209,005
Total Corporate Short-Term Securities — 5.3%	4,410,238
Total Investments — 99.3%	<u>82,499,655</u>
Other assets and liabilities, net — 0.7%	577,947
Total Net Assets — 100.0%	<u>\$83,077,602</u>

- * Contingent payment debt instrument. See Note 1(b) Annual Report to Shareholders, dated September 30, 2002.
 ** Mandatory convertible. See Note 1(e) Annual Report to Shareholders, dated September 30, 2002.
 # Collateral for a letter of credit.

ADRs	American Depositary Receipts.
ADSS	American Depositary Shares.
CODES	Contingent Debt Securities.
DECS	Debt Exchangeable for Common Stock.
HIGH TIDES	Remarketable Term Income Deferrable Equity Securities.
LYONS	Liquid Yield Option Notes.
PIERS	Preferred Income Equity Redeemable Securities.
PRIDES	Preferred Redeemable Increased Dividend Equity Securities.

Ratings in parentheses by Moody's Investors Service, Inc. or Standard & Poor's, a division of McGraw-Hill Companies, Inc. NR is used whenever a rating is unavailable.