

ELLSWORTH CONVERTIBLE GROWTH AND INCOME FUND



2002 Semi-Annual Report
March 31, 2002

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Ellsworth Convertible Growth and Income Fund, Inc. operates as a closed-end, diversified management investment company and invests primarily in convertible securities, with the objectives of providing income and the potential for capital appreciation -- which objectives the Company considers to be relatively equal, over the long-term, due to the nature of the securities in which it invests.

Highlights

Performance thru 3/31/02 *with dividends reinvested*

	<u>3 Months</u>	<u>1 Year</u>	<u>5 Years</u>	<u>10 Years</u>
Ellsworth market value (a)	(4.91)%	2.49%	76.57%	250.79%
Ellsworth net asset value (b)	(0.66)	0.99	53.87	186.36
Closed-end convertible fund average (b)	0.67	4.56	38.42	156.99
S&P 500 (a)	0.27	0.24	62.34	246.91
Russell 2000 (a)	4.00	14.12	58.44	148.64(c)
Lehman Aggregate Bond Total Return Index (b)	0.09	5.35	44.02	103.82

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, dated March 31, 2002.

(c) Simple appreciation of index.

Quarterly History of NAV and Market Price

<u>Qtr. Ended</u>	<u>Net Asset Values</u>			<u>Market Prices (AMEX, symbol ECF)</u>		
	<u>High</u>	<u>Low</u>	<u>Close</u>	<u>High</u>	<u>Low</u>	<u>Close</u>
Jun. 01	\$9.59	\$8.82	\$9.27	\$9.00	\$8.20	\$8.79
Sep. 01	9.30	8.45	8.67	9.05	7.55	8.35
Dec. 01	8.95	8.63	8.89	8.90	7.85	8.65
Mar. 02	8.94	8.49	8.75	8.95	8.05	8.14

Dividend Distributions (12 Months)

<u>Record Date</u>	<u>Payment Date</u>	<u>Income</u>	<u>Capital Gains</u>	<u>Total</u>
5/16/01	5/30/01	\$0.100	\$ —	\$0.100
8/16/01	8/30/01	0.100	—	0.100
10/29/01	11/29/01	0.190	—	0.190
2/13/02	2/27/02	0.090	—	0.090
		<u>\$0.480</u>	<u>—</u>	<u>\$0.480</u>

To Our Shareholders

It has become a cliché that September 11th, 2001 was the day that the world, and our perception of it, was changed. The economic, political and social assumptions that we used in our forecasts of the future had shifted. So, starting immediately after the terrorist atrocity, we began a thorough re-examination of all of our basic assumptions and all of the Fund's investments. Further, the collapse of Enron and the exposure of questionable accounting practices led us to look even more deeply into our analysis of the positions held by the Fund.

It is apparent that certain industries, such as defense and some security related industries, are undergoing a significant period of growth far in excess of what was expected a year ago. Other industries such as travel and tourism have shown they are more vulnerable to threats of violence than previously assumed. With the above in mind, investment decisions have been made expanding our exposure to the defense industry and reducing exposure to industries that have accounting practices that are being questioned or that appear to be open to external threats that could knock their business off stride.

We remain optimistic that the U.S. economy is going to continue its recovery and that much of the rest of the world will follow. We are also optimistic that the security enhancements put in place since September will help diffuse terrorism. There may still be setbacks. Continuation of the conflict in the Middle East adds an element of uncertainty.

For shareholders who have access to the Internet, 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-fund funds.* Based upon data through April 30, 2002, Morningstar has continued to rate Ellsworth's performance at four stars (above average) overall as shown on their website.** Shareholders who wish a copy of the most recent report on the Fund issued by Standard and Poor's should contact us.

I have been elected Vice President of the Closed-End Fund Association. Also, the Fund now has a seat on the Investment Company Institute's Closed-End Fund subcommittee. From these positions we hope to advance the Fund's shareholder interest.

At its April meeting the Board of Directors declared a dividend of 8 cents per share. This dividend will be payable on May 30, 2002 to shareholders of record on May 16, 2002.



Thomas H. Dinsmore
Chairman of the Board

May 10, 2002

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

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

See Important Factors Regarding Forward-Looking Statements on page 12 of this report.

Largest Investment Holdings by underlying common stock

	Value (Note 1)	% Total Net Assets
National Data Corp. <i>A leading provider of information services and systems to the health care and electronic commerce markets.</i>	\$ 2,217,240	2.4 %
Washington Mutual, Inc. <i>A financial services company that provides a diversified line of products and services to consumers and small to mid-sized businesses. (Value includes that portion of the Fund's investment in Lehman Brothers Holdings BASES, which is attributable to the issuer (\$183,000))</i>	2,148,000	2.4
Apache Corp. <i>Explores for and produces natural gas, crude oil and natural gas liquids.</i>	2,119,560	2.3
L-3 Communication Holdings, Inc. <i>A merchant supplier of sophisticated secure communication systems and specialized communication products. Its customers include the United States Department of Defense, and major aerospace and defense contractors.</i>	2,024,063	2.2
School Specialty, Inc. <i>Distributes non-textbook educational supplies and furniture for grades pre-kindergarten through 12.</i>	1,913,538	2.1
Reinsurance Group of America, Inc. <i>An insurance holding company that is engaged in traditional life reinsurance in the United States, Canada and various international markets. The Company also provides reinsurance of asset-intensive products and financial reinsurance.</i>	1,872,500	2.1
Anixter International, Inc. <i>Distributes communications and specialty wire and cable products. Also distributes wiring systems for voice, data, and video networks and electrical power applications.</i>	1,724,250	1.9
ICN Pharmaceuticals, Inc. <i>A global, research-based pharmaceutical company that develops, manufactures, distributes and sells pharmaceutical, research and diagnostic products.</i>	1,676,250	1.8
Sovereign Bancorp, Inc. <i>A bank holding company that attracts deposits from its network of community banking offices, and originates small business and middle-market commercial and asset-based loans.</i>	1,567,188	1.7
Kerr-McGee Corp. <i>An energy and chemical company that acquires leases and concessions to develop, produce and market crude oil and natural gas.</i>	<u>1,551,732</u>	<u>1.7</u>
Total	<u>\$18,814,321</u>	<u>20.7 %</u>

Major Industry Exposure

	<u>% Total Net Assets</u>
Energy	10.0%
Pharmaceuticals	9.4
Technology	8.6
Financial & Insurance	8.2
Aerospace & Defense	7.7
Health Care	7.3
Banking	6.5
Retail	6.4
Telecommunications	5.8
Data-Processing Services	4.3
Total	<u>74.2%</u>

Major Portfolio Changes

Six months ended March 31, 2002

	<u>Principal Amount or Shares</u>
ADDITIONS	
Adelphia Communications Corp.	49,800 shs
Community Health Systems, Inc.	\$1,500,000
The Gap, Inc.	1,500,000
General Dynamics Corp. (<i>exchangeable from The Goldman Sachs Group, Inc.</i>)	1,500,000
Invitrogen Inc.	2,000,000
Ivax Corp.	1,250,000
Northrop Grumman Corp.	12,500 shs
PartnerRe Ltd.	25,000 shs
Province Healthcare Company	1,500,000
Reinsurance Group of America, Inc.	40,000 shs
REDUCTIONS	
ACE Limited	15,000 shs
American Greetings Corp.	1,750,000
Cable & Wireless plc (<i>exchangeable from Verizon Global Funding Corp.</i>)	2,000,000
Cablevision Systems New York Group (<i>exchangeable from Equity Securities Trust</i>)	30,000 shs
Interpublic Group Cos., Inc.	1,500,000
Ivax Corp.	1,500,000
Johnson & Johnson (<i>exchangeable from Merrill Lynch & Company, Inc.</i>)	1,000,000
Lucent Technologies, Inc.	1,000 shs
PartnerRe Ltd.	25,000 shs
Sunrise Assisted Living, Inc.	2,312,000

Statement of Assets and Liabilities *(unaudited)*

	<u>March 31, 2002</u>
Assets:	
Investments at value (cost \$83,661,122) (Note 1)	\$ 86,439,399
Cash	2,253,920
Receivable for securities sold	1,977,264
Dividends and interest receivable	537,689
Deposits	15,701
Total assets	<u>91,223,973</u>
Liabilities:	
Payable for securities purchased	250,000
Accrued management fee (Note 2)	60,673
Accrued expenses	13,364
Total liabilities	<u>324,037</u>
Net Assets	<u>\$ 90,899,936</u>
Net assets consist of:	
Undistributed net investment income	\$ 204,708
Accumulated net realized loss from investment transactions	(7,105,756)
Unrealized appreciation on investments	2,778,277
Capital shares (Note 3)	103,939
Additional paid-in capital	94,918,768
Net Assets	<u>\$ 90,899,936</u>
Net asset value per share (\$90,899,936 ÷ 10,393,877 outstanding shares)	<u>\$ 8.75</u>

Statement of Operations *(unaudited)*

Six Months Ended March 31, 2002

Investment Income (Note 1):	
Interest	\$ 1,168,546
Dividends	626,404
Total Income	<u>1,794,950</u>
Expenses (Note 2):	
Management fee	340,748
Custodian	12,649
Transfer agent	22,761
Professional fees	43,851
Directors' fees	51,100
Reports to shareholders	26,156
Listing Fee	20,000
Treasurer's office	12,500
Other	36,294
Total Expenses	<u>566,059</u>
Net Investment Income	<u>1,228,891</u>
Realized and Unrealized Gain on Investments:	
Net realized loss from investment transactions	(6,016,764)
Net change in unrealized appreciation of investments	8,454,806
Net gain on investments	2,438,042
Net Increase in Net Assets Resulting from Operations	<u>\$ 3,666,933</u>

See accompanying notes to financial statements.

Statement of Changes in Net Assets

	Six Months Ended March 31, 2002(a)	Year Ended September 30, 2001
Change in net assets from operations:		
Net investment income	\$ 1,228,891	\$ 4,815,789
Net realized loss from investment transactions	(6,016,764)	(1,057,592)
Net change in unrealized appreciation of investments	<u>8,454,806</u>	<u>(16,092,171)</u>
Net change in net assets resulting from operations	<u>3,666,933</u>	<u>(12,333,974)</u>
Dividends to shareholders from:		
Net investment income	(2,884,081)	(4,174,588)
Net realized gain on investments	—	(12,142,103)
Total dividends	<u>(2,884,081)</u>	<u>(16,316,691)</u>
Capital share transactions (Note 3)	<u>1,216,444</u>	<u>8,371,070</u>
Change in net assets	<u>1,999,296</u>	<u>(20,279,595)</u>
Net assets at beginning of period	<u>88,900,640</u>	<u>109,180,235</u>
Net assets at end of period (including undistributed net investment income of \$293,442 and \$1,859,897, respectively)	<u>\$ 90,899,936</u>	<u>\$88,900,640</u>

Financial Highlights *Selected data for a share of common stock outstanding*

	Six Months Ended March 31, 2002(a)	Years Ended September 30,				
	2002(a)	2001	2000	1999	1998	1997
Operating Performance:						
Net asset value, beginning of period	\$8.67	\$11.82	\$11.23	\$11.18	\$13.33	\$11.80
Net investment income	0.12	0.47	0.42	0.33	0.35	0.40
Net realized and unrealized gain (loss)	0.24	(1.88)	1.71	1.40	(0.65)	2.59
Total from investment operations	0.36	(1.41)	2.13	1.73	(0.30)	2.99
Less Distributions:						
Dividends from net investment income ...	(0.28)	(0.42)	(0.35)	(0.32)	(0.37)	(0.40)
Distributions from realized gains	—	(1.32)	(1.23)	(1.36)	(1.48)	(1.06)
Total distributions	(0.28)	(1.74)	(1.58)	(1.68)	(1.85)	(1.46)
Capital share repurchases	—	—	0.04	—	—	—
Net asset value, end of period	<u>\$8.75</u>	<u>\$8.67</u>	<u>\$11.82</u>	<u>\$11.23</u>	<u>\$11.18</u>	<u>\$13.33</u>
Market value, end of period	\$8.14	\$8.35	\$9.88	\$9.38	\$10.00	\$11.25
Total Net Asset Value Return %(b)	4.18	(13.34)	21.85	16.42	(2.39)	27.77
Total Investment Return %(c)	0.77	2.21	25.72	10.39	5.21	30.93
Ratios/Supplemental Data:						
Net assets, end of period (in thousands) ...	\$90,900	\$88,901	\$109,180	\$96,040	\$87,438	\$94,822
Ratio of expenses to average net assets (%)	1.3(d)	1.2	1.2	1.1	1.1	1.2
Ratio of net investment income to average net assets (%)	2.7(d)	5.0	3.8	3.0	3.0	3.4
Portfolio turnover rate (%)	58	28	98	67	59	71

(a) Unaudited.

(b) Assumes valuation of the Fund's shares, and reinvestment of dividends, at net asset values.

(c) Assumes valuation of the Fund's shares at market price and reinvestment of dividends at actual reinvestment price.

(d) Annualized.

See accompanying notes to financial statements.

Portfolio of Investments March 31, 2002 (unaudited)

Principal Amount or Shares		Value (Note 1)
	ADVERTISING — 3.0%	
\$1,300,000	The Interpublic Group Cos., Inc. 1.80% 2004 cv. sub. notes (NR)	\$ 1,306,500
1,500,000	Young & Rubicam, Inc. 3% 2005 cv. sub. notes (Baa1)	<u>1,461,285</u>
		<u>2,767,785</u>
	AEROSPACE & DEFENSE — 7.7%	
250,000	EDO Corp. 5.25% 2007 cv. sub. notes 144A (NR)	277,308
1,500,000	The Goldman Sachs Group, Inc. 1.00% 2009 exch. equity-linked notes * (A1) (exch. for General Dynamics Corp. common stock)	1,495,020
750,000	L-3 Communications Holdings, Inc. 5.25% 2009 cv. sr. sub. notes 144A (Ba3) ..	1,125,000
750,000	L-3 Communications Holdings, Inc. 4% 2011 cv. sr. sub. CODES 144A * (Ba3) ..	899,063
12,500 shs	Northrop Grumman Corp. 7.25% equity units ** (Baa3)	1,510,938
20,000 shs	RC Trust I 8.25% equity security units ** (Ba2) (exch. for Raytheon Co. class B common stock)	1,342,500
700,000	SPACEHAB, Inc. 8% 2007 cv. sub. notes 144A (NR)	<u>350,000</u>
		<u>6,999,829</u>
	AUTOMOTIVE — 3.1%	
20,000 shs	Ford Motor Co. Capital Trust II 6.50% cv. pfd. (Baa2) (exch. for Ford Motor Co. common stock)	1,106,250
12,500	General Motors Corp. series B cv. sr. deb. (A3)	341,625
2,500,000	Lear Corp. 0% 2022 cv. sr. notes 144A (Ba1)	1,085,938
250,000	Navistar Financial Corp. 4.75% 2009 sub. exch. notes (NR) (exch. for Navistar International Corp. common stock)	<u>260,735</u>
		<u>2,794,548</u>
	BANKING — 6.5%	
20,000 shs	Commerce Capital Trust II 5.95% cv. trust pfd. 144A (Baa1) (exch. for Commerce Bancorp common stock)	1,076,250
40,000 shs	National Australia Bank Ltd. 7.875% exch. capital units (A2)	1,308,000
20,000 shs	Sovereign Capital Trust II 7.50% trust PIERS (Ba3) (exch. for Sovereign Bancorp, Inc. common stock)	1,567,188
35,000 shs	Washington Mutual Capital Trust PIERS units 144A (Baa1) (exch. for Washington Mutual Inc. common stock)	1,719,375
5,000 shs	Washington Mutual Capital Trust PIERS units (Baa1) (exch. for Washington Mutual Inc. common stock)	<u>245,625</u>
		<u>5,916,438</u>
	CABLE — 1.5%	
1,000,000	Charter Communications, Inc. 5.75% 2005 cv. sr. notes (B3)	863,125
22,500 shs	Equity Securities Trust II 6.25% ** (NR) (exch. for Rainbow Media Group Class A tracking stock of Cablevision Systems Corp.)	<u>544,500</u>
		<u>1,407,625</u>
	CAPITAL GOODS — 1.3%	
1,500,000	CS First Boston, Inc. 2% 2010 sr. medium-term exch. notes * (Aa3) (exch. for General Electric Corp. common stock)	<u>1,214,063</u>
	DATA-PROCESSING SERVICES — 4.3%	
1,000,000	The BISYS Group, Inc. 4% 2006 cv. sub. notes 144A (NR)	1,239,375
2,000,000	National Data Corp. 5% 2003 cv. sub. notes (Ba3)	2,217,240
550,000	Online Resources & Communications Corp. 8% 2005 cv. sub. notes 144A (NR) ..	<u>462,000</u>
		<u>3,918,615</u>
	ENERGY — 10.0%	
40,800 shs	Apache Corp. \$2.015 dep. shs. representing ACES pfd. ** (Baa2)	2,119,560
500,000	Devon Energy Corp. 4.90% 2008 cv. sub. deb. * (BBB+) (conv. into Chevron Corp. common stock)	503,825
1,000,000	Devon Energy Corp. 4.95% 2008 cv. sub. deb. * (BBB+) (conv. into Chevron Corp. common stock)	1,011,400

Portfolio of Investments March 31, 2002 (continued)

Principal Amount or Shares		Value (Note 1)
	ENERGY — continued	
\$3,300,000	El Paso Corp. 0% cv. deb. 144A (Baa2)	\$1,394,250
1,300,000	Kerr-McGee Corp. 5.25% 2010 cv. sub. deb. (Baa3)	1,551,732
30,000	Kerr-McGee Corp. 5.50% 2004 DECS ** (Baa2) (exch. for Devon Energy Corp. common stock)	1,331,250
1,000,000	Pride International, Inc. 2.50% cv. sr. notes 144A (NR)	<u>1,145,000</u>
		<u>9,057,017</u>
	ENTERTAINMENT — 1.6%	
3,000,000	News America, Inc. 0% 2021 LYONs 144A (Baa3) (exch. for ADSs representing The News Corp. Limited common stock)	<u>1,431,660</u>
	FINANCIAL & INSURANCE — 8.2%	
1,500,000	Exchangeable Certificate Corp. 0.625% 2005 exch. certificates 144A (Aaa)(exch. for American Express Company common stock)	1,380,000
17,500 shs	Prudential Financial Capital Trust I 6.25% equity security units **,** (A3) (exch. for Prudential Financial, Inc. common stock)	952,656
40,000 shs	Reinsurance Group of America, Inc. 5.75% PIERS (Baa1)	1,872,500
1,000,000	Swiss Re America Holding Corp. 3.25% 2021 euro. sub. cv. bonds 144A (Aa1) (conv. into Swiss Reinsurance Company common stock)	925,000
40,000	Travelers Property Casualty Corp. 4.50% 2032 cv. jr. sub. nts. (A2)	1,059,600
1,500,000	XL Capital, Ltd. 0% 2021 cv. deb. 144A * (A1)	960,000
500,000	XL Capital, Ltd. 0% 2021 cv. deb. * (A1)	<u>320,000</u>
		<u>7,469,756</u>
	HEALTH CARE — 7.3%	
1,000,000	AmerisourceBergen Corp. 5% 2007 cv. sub. notes 144A (Ba3)	1,477,700
1,500,000	Community Health Systems, Inc. 4.25% 2008 cv. sub. notes (B3)	1,421,550
1,000,000	Invitrogen, Inc. 5.50% 2007 cv. sub. notes (NR)	876,250
1,000,000	Medtronic, Inc. 1.25% 2021 cv. deb. * (A1)	1,014,650
1,250,000	Province Healthcare Company 4.25% 2008 cv. sub. notes 144A (B3)	1,260,938
600,000	Sunrise Assisted Living, Inc. 5.25% 2009 cv. sub. notes 144A (B-)	<u>579,375</u>
		<u>6,630,463</u>
	HOME BUILDING — 1.2%	
2,500,000	Masco Corp. 0% 2031 cv. sr. notes * (Baa1)	<u>1,059,025</u>
	MULTI-INDUSTRY — 2.0%	
2,000,000	Lehman Brothers Holdings, Inc. 0.25% 2006 BASES notes * (A3) (based on the value of the performance of the 10 Uncommon Values Index †)	<u>1,830,000</u>
	PHARMACEUTICALS — 9.4%	
1,300,000	Alza Corp. 0% 2020 cv. sub. deb. (Aa1) (exch. for Johnson & Johnson common stock)	1,170,813
1,000,000	Baxter International Inc. 1.25% 2021 cv. deb. * (A3)	1,052,600
1,000,000	Cephalon, Inc. 2.50% 2006 cv. sub. notes 144A (NR)	967,500
1,000,000	Elan Finance Corporation Ltd. 0% 2018 LYONs 144A (Ba2) (exch. for ADRs representing Elan Corporation, plc common stock)	490,550
700,000	Elan Finance Corporation Ltd. 0% 2018 LYONs (Ba2) (exch. for ADRs representing Elan Corporation, plc common stock)	343,385
1,500,000	ICN Pharmaceuticals, Inc. 6.50% 2008 cv. sub. notes 144A (B+)	1,676,250
1,250,000	Ivax Corp. 5.50% 2007 cv. sr. sub. notes (NR)	1,115,625
1,315,000	Roche Holdings, Inc. 0% 2015 LYONs 144A (NR) (exch. for Genentech, Inc. common stock)	930,363
1,000,000	Sepracor, Inc. 7% 2005 cv. sub. deb. 144A (CCC+)	<u>756,875</u>
		<u>8,503,961</u>

Portfolio of Investments March 31, 2002 (continued)

Principal Amount or Shares		Value (Note 1)
	REAL ESTATE — 1.1%	
\$1,000,000	Federal Realty Investment Trust 5.25% 2003 cv. sub. deb. (Baa3)	<u>\$ 1,000,000</u>
	RETAIL — 6.4%	
1,000,000	Brinker International, Inc. 0% 2021 cv. sr. deb. 144A (Baa2)	669,815
500,000	Costco Wholesale Corp. 0% 2017 cv. sub. notes 144A (A3)	459,740
750,000	Costco Wholesale Corp. 0% 2017 cv. sub. notes (A3)	689,610
1,000,000	The Gap, Inc. 5.75% 2009 cv. bonds 144A (Ba3)	1,162,460
1,000,000	J.C. Penney Co. 5% 2008 cv. sub. notes 144A (Ba3)	937,500
1,500,000	School Specialty, Inc. 6% 2008 cv. sub. notes 144A (B+)	1,640,175
250,000	School Specialty, Inc. 6% 2008 cv. sub. notes (B+)	273,363
		<u>5,832,663</u>
	TECHNOLOGY — 8.6%	
750,000	Affiliated Computer Services, Inc. 3.50% 2006 cv. sub. notes 144A (Baa2)	1,077,525
1,000,000	Anadigics, Inc. 5% 2006 cv. sr. notes 144A (NR)	875,781
1,250,000	Analog Devices, Inc. 4.75% 2005 cv. sub. notes 144A (Baa1)	1,189,250
1,000,000	Brooks Automation, Inc. 4.75% 2008 cv. sub. notes 144A (NR)	961,875
250,000	Brooks Automation, Inc. 4.75% 2008 cv. sub. notes (NR)	240,469
1,000,000	Computer Associates Int'l, Inc. % 2007 cv. sr. notes 144A (Baa2)	1,173,900
1,500,000	CS First Boston, Inc. 1% 2006 medium-term exch. notes * (Aa3) (exch. for Microsoft Corp. common stock)	1,335,000
500,000	Kulicke & Soffa Industries, Inc. 4.75% 2006 cv. sub. notes (B3)	542,500
500,000	Rational Software Corp. 5.00% 2007 cv. sub. notes (NR)	435,350
		<u>7,831,650</u>
	TELECOMMUNICATIONS — 5.8%	
700,000	American Tower Corp. 2.25% 2009 cv. notes (Caa1)	469,000
4,000,000	Anixter International, Inc. 0% 2020 LYONs 144A (Ba3)	1,210,000
1,700,000	Anixter International, Inc. 0% 2020 LYONs (Ba3)	514,250
1,000,000	Exchangeable Certificate Corp. 0.25% 2006 exch. certificates 144A (Aaa)(exch. for specific telephone and cable common stocks ††)	850,000
1,000 shs	Lucent Technologies, Inc. 8% redeemable cv. pfd. (B3)	924,238
1,500,000	Tecnost International, N.V. 1% 2005 ADBs 144A (Baa2) (exch. for ADRs representing Telecom Italia S.p.A. common stock)	1,322,400
		<u>5,289,888</u>
	TRANSPORTATION — 4.0%	
1,000,000	Continental Airlines, Inc. 4.50% 2007 cv. notes (B)	977,190
1,000,000	GATX Corp. 7.50% 2007 cv. sr. notes 144A (Baa3)	1,158,840
1,500,000	United Parcel Service, Inc. 1.75% 2007 cash-settled cv. sr. notes (Aaa)	1,526,250
		<u>3,662,280</u>
	UTILITIES — 2.0%	
37,500 shs	TECO Capital Trust II ** (Baa1) (exch. for TECO Energy, Inc. common stock)	1,041,000
13,750 shs	TXU Corp. equity units **, (Baa3)	781,138
		<u>1,822,138</u>
	Total Convertible Bonds and Notes — 75.2%	68,327,681
	Total Convertible Preferred Stocks — 19.9%	<u>18,111,718</u>
	Total Investments — 95.1%	<u>86,439,399</u>
	Other assets and liabilities, net — 4.9%	4,460,537
	Total Net Assets — 100.0%	<u>\$90,899,936</u>

Portfolio of Investments March 31, 2002 (continued)

* Contingent payment debt instrument which accrues contingent interest income. See Note 1(b).

** Mandatory convertible. See Note 1(e).

† Ticker symbols: AA, BBY, CEFT, CMCSK, CSCO, HDI, LMG/A, MIR, WM & WMI.

†† Ticker symbols: CSCO, CMCSK, AOL, IBM, LMGa and WCOM.

ACES	Automatically Convertible Equity Securities.
ADB	American Depositary Bonds.
ADR	American Depositary Receipts.
ADS	American Depositary Shares.
BASES	Basket Adjusting Structured Equity Securities.
CODES	Contingent Debt Securities.
DECS	Debt Exchangeable for Common Stock.
LYON	Liquid Yield Option Notes.
PIERS	Preferred Income Equity Redeemable Securities.

Ratings in parentheses by Moody's Investors Service, Inc. or Standard & Poor's, a division of McGraw-Hill Companies.

The cost of investments for federal income tax purposes is \$83,661,122 resulting in gross unrealized appreciation and depreciation of \$6,888,278 and \$4,110,001, respectively, or net unrealized depreciation of \$2,778,277 on a tax cost basis.

See accompanying notes to financial statements.

Notes to Financial Statements (unaudited)

1. Significant Accounting Policies

Ellsworth Convertible Growth and Income Fund, Inc. (the “Fund”) is registered under the Investment Company Act of 1940 as a diversified, closed-end management investment company. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements:

(a) Security Valuation

Investments in securities traded on a national securities exchange are valued at market using the last reported sales price as of the close of regular trading. Securities traded in the over-the-counter market and listed securities for which no sales were reported are valued at the mean between closing reported bid and asked prices as of the close of regular trading. Where no closing prices are available, value is determined by management, with the approval of the Board of Directors.

(b) Securities Transactions and Related Investment Income

Security transactions are accounted for on the trade date (date the order to buy or sell is executed) with gain or loss on the sale of securities being determined based upon identified cost. Dividend income is recorded on the ex-dividend date and interest income is recorded on the accrual basis. For certain securities, known as “contingent payment debt instruments”, Federal tax regulations require the Fund to record non-cash, “contingent” interest income in addition to interest income actually received. Contingent interest income amounted to 3 cents per share for the six months ended March 31, 2002.

(c) Federal Income Taxes

It is the policy of the Fund to distribute substantially all of its taxable income within the prescribed time and to otherwise comply with the provisions of the Internal Revenue Code applicable to regulated investment companies. Therefore, no provision for federal income or excise taxes is believed necessary. The Fund has a capital loss carryover of approximately \$1,058,000 available to offset any future net capital gains which will expire on September 30, 2009.

(d) Dividends and Distributions to Shareholders

The liability for dividends and distributions payable is recorded on the ex-dividend date.

(e) Market Risk

It is the Fund’s policy to invest the majority of its assets in convertible securities. Although convertible securities do derive part of their value from that of the securities into which they are convertible, they are not considered derivative financial instruments. However, certain of the Fund’s investments include features which render them more sensitive to price changes in their underlying securities. Thus they expose the Fund to greater downside risk than traditional convertible securities, but still less than that of the underlying common stock. The market value of those securities was \$9,623,542 at March 31, 2002, representing 10.6% of net assets.

Notes to Financial Statements (continued)

2. Management Fee and Other Transactions with Affiliates

The management fee is paid to the investment adviser, Davis-Dinsmore Management Company (the "Adviser"). The contract provides for payment of a monthly advisory fee, computed at an annual rate of $\frac{3}{4}$ of 1% of the first \$100,000,000 and $\frac{1}{2}$ of 1% of the excess over \$100,000,000 of the Fund's net asset value in such month.

The Adviser invests the Fund's assets, furnishes office equipment and facilities, and pays the salaries of all executive officers of the Fund, except that the costs associated with personnel and certain non-personnel expenses of the office of the Treasurer up to a maximum of \$25,000 a year are reimbursed by the Fund. Such reimbursements amounted to \$12,500 for the six months ended March 31, 2002. The officers of the Fund are also directors, officers or employees of the Adviser, and are compensated by the Adviser.

3. Portfolio Activity

At March 31, 2002 there were 10,393,877 shares of \$.01 par value common stock outstanding (20,000,000 shares authorized). During the six months ended March 31, 2002, 137,918 shares were issued in connection with reinvestment of dividends from net investment income, resulting in an increase in paid-in capital of \$1,216,444.

Purchases and sales of investments, exclusive of corporate short-term notes, aggregated \$51,965,484 and \$49,597,792, respectively, for the six months ended March 31, 2002.

A distribution of \$0.08 per share from net investment income was declared on April 15, 2002, payable May 30, 2002 to shareholders of record at the close of business May 16, 2002.

Miscellaneous Notes

Results of the 2002 Annual Shareholders Meeting

The results of the shareholder vote at the Annual Meeting of Shareholders held on January 12, 2001, were:

- All directors nominated by management were elected for terms expiring in 2005.

	<u>Shares voted for</u>	<u>Shares withheld</u>
Thomas H. Dinsmore	9,418,511	114,477
Donald M. Halsted, Jr.	9,361,870	171,118
Duncan O. McKee	9,364,338	168,650

- The selection of PricewaterhouseCoopers LLP as independent accountants was ratified with 8,267,656 shares voted for, 62,980 shares voted against and 351,668 shares abstaining.

Important Factors Regarding Forward-Looking Statements

Information contained within the letter to Shareholders constitutes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Statements which reflect the intent, belief or expectations of the Fund and its management regarding the anticipated effect of events, circumstances and trends should be considered forward-looking statements. These forward-looking statements are not guarantees of future performance and there are a number of meaningful factors which could cause the Fund's results to vary materially from those indicated by any such statements. Factors which could cause actual results to differ from expectations include, among others, changes in (or failure to change) accounting standards and practices, military action and acts of terrorism, flat or declining productivity, a decline in the global economy, a prolonged recession, downturns in industries in which the Fund has invested, increased volatility of securities in general as well as those purchased by the Fund, changes to foreign and domestic markets in general or changes to the market for convertible securities.

Ellsworth is a member of the Closed-End Fund Association (CEFA). Its website address is www.cefa.com. CEFA is solely responsible for the content of its website.

Pursuant to Section 23 of the Investment Company Act of 1940, notice is hereby given that the Fund may in the future purchase shares of Ellsworth Convertible Growth and Income Fund, Inc. Common Stock from time to time, at such times, and in such amounts, as may be deemed advantageous to the Fund. Nothing herein shall be considered a commitment to purchase such shares.

Board of Directors

GORDON F. AHALT	<i>Petroleum Consultant</i>
WILLIAM A. BENTON	<i>Retired Stock Exchange Specialist</i>
ELIZABETH C. BOGAN	<i>Senior Lecturer in Economics at Princeton University</i>
THOMAS H. DINSMORE, C.F.A.	<i>Chairman of the Board of Ellsworth</i>
DONALD M. HALSTED, JR.	<i>Investor</i>
GEORGE R. LIEBERMAN	<i>Retired Advertising Executive</i>
DUNCAN O. MCKEE	<i>Retired Attorney</i>
JANE D. O'KEEFFE	<i>President of Ellsworth</i>
NICOLAS W. PLATT	<i>Public Relations Executive</i>

Officers

THOMAS H. DINSMORE	<i>Chairman of the Board</i>
JANE D. O'KEEFFE	<i>President</i>
SIGMUND LEVINE	<i>Senior Vice President and Secretary</i>
H. TUCKER LAKE	<i>Vice President, Trading</i>
GARY I. LEVINE	<i>Vice President and Treasurer</i>
GERMAINE M. ORTIZ	<i>Vice President</i>
JOSHUA P. LAKE	<i>Assistant Treasurer and Assistant Secretary</i>
MERCEDES A. PIERRE	<i>Assistant Treasurer</i>

Internet

www.ellsworthfund.com
email: info@ellsworthfund.com

Investment Adviser

Davis-Dinsmore Management Company
65 Madison Avenue, Morristown, NJ 07960-7308
(973) 631-1177


Shareholder Services and Transfer Agent

American Stock Transfer & Trust Company
59 Maiden Lane
New York, NY 10038
(800) 937-5449
www.amstock.com

Common Stock Listing

American Stock Exchange Symbol: ECF

ELLSWORTH CONVERTIBLE GROWTH AND INCOME FUND, INC.
65 MADISON AVENUE
MORRISTOWN, NEW JERSEY 07960
www.ellsworthfund.com

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