

Ellsworth Growth and Income Fund Ltd.

Shareholder Commentary – December 31, 2017

(Y)our Portfolio Management Team



Thomas Dinsmore, CFA Jane O'Keeffe James Dinsmore, CFA

To Our Shareholders,

At year-end, the net asset value (“NAV”) total return of the Ellsworth Growth and Income Fund was 12.7%, compared with total returns of 13.7% and 6.9% for the ICE Bank of America Merrill Lynch U.S. Convertibles Index and the Bloomberg Barclays Balanced U.S. Convertibles Index, respectively. The total return for the Fund’s publicly traded shares was 19.6%. For the quarter ended December 31, 2017, the NAV total return of the Fund was 2.5%, compared with total returns of 1.6% and (0.03)% for the ICE Bank of America Merrill Lynch U.S. Convertibles Index and the Bloomberg Barclays Balanced U.S. Convertibles Index, respectively. The total return for the Fund’s publicly traded shares was 2.8%. The Fund’s NAV per share was \$10.32, while the price of the publicly traded shares closed at \$9.41 on the NYSE.

Comparative Results

Average Annual Returns through December 31, 2017 (a)(b)

	<u>Quarter</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception (6/30/86)</u>
Ellsworth Growth and Income Fund Ltd.						
NAV Total Return (c)	2.47%	12.65%	6.56%	9.88%	6.12%	7.98%
Investment Total Return (d)	2.83	19.59	9.73	12.06	6.83	8.35
ICE Bank of America Merrill Lynch U.S. Convertibles Index	1.56	13.74	6.80	10.75	7.34	N/A (e)
Bloomberg Barclays Balanced U.S. Convertibles Index	(0.03)	6.91	3.24	6.01	4.95	N/A (f)
Standard & Poor’s (S&P) 500 Index	6.64	21.83	11.41	15.79	8.50	10.28

(a) Returns represent past performance and do not guarantee future results. Investment returns and the principal value of an investment will fluctuate. When shares are sold, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Visit www.gabelli.com for performance information as of the most recent month end. Performance returns for periods of less than one year are not annualized. Returns would have been lower had Gabelli Funds, LLC (the “Adviser”) not reimbursed certain expenses of the Fund. Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The ICE Bank of America Merrill Lynch U.S. Convertibles Index is a market value weighted index of all dollar denominated convertible securities that are exchangeable into U.S. equities that have a market value of more than \$50 million. The Bloomberg Barclays Balanced U.S. Convertibles Index is a market value weighted index that tracks the performance of publicly placed, dollar denominated convertible securities that are between 40% and 80% sensitive to movements in their underlying common stocks. The S&P 500 Index is an unmanaged indicator of stock market performance. Dividends and interest income are considered reinvested. You cannot invest directly in an index.

(b) The Fund’s fiscal year ends on September 30.

(c) Total returns and average annual returns reflect changes in the NAV per share, reinvestment of distributions at NAV on the ex-dividend date for the period beginning November 2015, and are net of expenses. Total returns and average annual returns were not adjusted for the 2004 rights offering. For the period from December 2008 through October 2015, distributions were reinvested on the payable date using market prices. From inception through November 2008, distributions were reinvested on the payable date using NAV. Since inception return is based on an initial NAV of \$9.30.

(d) Total returns and average annual returns reflect changes in closing market values on the NYSE American and reinvestment of distributions. Total returns and average annual returns were not adjusted for the 2004 rights offering. Since inception return is based on an initial offering price of \$10.00.

(e) The ICE Bank of America Merrill Lynch U.S. Convertibles Index inception date is December 31, 1994.

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Investment Objective – Ellsworth Growth and Income Fund

The Ellsworth Growth and Income Fund (the Fund) is a closed-end, diversified management investment company whose investment objective is to provide income, with potential for capital appreciation. The Fund considers these objectives to be relatively equal, over the long term, due to the nature of the securities in which the Fund invests. Under normal market conditions, the Fund invests at least 65% of its net assets in convertible securities.

Our mandate is to preserve and enhance our shareholders' wealth through a conservative and disciplined approach to investing in convertible securities, as well as equity securities. Our goal is to generate profitable returns in strong markets and protect principal in weak markets by taking advantage of the unique characteristics of convertible securities.

Convertible Securities are “Hybrids”

It is important to understand our stock selection discipline, because price movement in the underlying equity will generally have the greatest impact on convertible securities pricing. The convertible securities market consists of bonds, debentures, corporate notes, preferred stocks, and warrants or other similar securities, which may be converted into or exchanged for a prescribed amount of common stock or other equity security of the same or a different issuer within a particular period of time, at a specified price or formula.

Converts are “hybrid” securities that combine the capital appreciation potential of equities with the higher yield of fixed income instruments. Our strategy incorporates the purchase of convertible securities that are trading at a premium (above parity) with the common stock, but which generally provide a higher yield, and, over time, capital appreciation.

Commentary on Convertibles

Convertible securities had a very good year in absolute and risk adjusted performance in 2017. They were driven by the strong equity markets and the relatively high equity sensitivity of the convertibles. We experienced three interest rate hikes and the beginning of the reduction of the Federal Reserve balance sheet, but this did not keep the convertible market from providing strong returns throughout the year. Low volatility was apparent in most asset classes, and convertibles remained competitive with stocks. Market optimism continued, as the Tax Cuts and Jobs Act was passed by both houses of Congress in December. This should help U.S. stocks maintain upward momentum, as reduced corporate tax rates, the flexibility to repatriate global cash with more favorable terms, and more cash available to consumers will likely contribute to U.S. economic growth and corporate profits.

The Intercontinental Exchange Bank of America Merrill Lynch (ICE BofAML) U.S. Convertibles Index was up 13.7% on the year. This compares with returns of 2.43% for U.S. Treasury bonds, 6.48% for U.S. investment grade corporate bonds, 7.48% for U.S. high yield bonds, and 21.83% for the S&P 500 Stock Index. The ICE BofAML Global 300 Convertible Index was up 16.06%, with strong performance coming from European issues due to the appreciation of the euro. Among U.S. convertible issues, the Technology sector, the Consumer Discretionary sector, and the Materials sectors added to returns for 2017.

The U.S. convertible market ended the year with more than 450 issues, about \$220 billion in value. New issuance slowed a bit as the year came to a close, with only \$2.3 billion of issuance in December. There were 99 new issues in the U.S. in 2017, raising \$37.4 billion. We expect the new tax law to be positive for issuance in the upcoming year. The lower corporate tax rate and limitations on the deductibility of interest should provide economic incentives for companies to consider issuing convertible bonds, with their characteristically lower coupons.

We continue to see convertibles as an attractive, lower volatility way to invest in the stock market. The average current yield for convertibles is 2.86%. The duration of 2.64 years (a measure of interest rate sensitivity) should help relieve pressure from rising rates in 2018, as we expect the Fed to continue its measured increases. Because of the relatively high equity sensitivity of the U.S. convertibles market, we expect them to continue to rise with the stock market in 2018. The yield and short duration of this asset class are expected to provide support on the downside, should stock prices fall.

The equity portion of our portfolio is a way to supplement our focus on total return with stocks that offer an attractive combination of yield and capital appreciation potential, while offering some diversification benefits. The common stocks yield 2.68%, and we believe they offer good growth opportunities in companies that do not have convertibles outstanding.

During the fourth quarter, we invested all of the proceeds from the \$30 million 5.25% Series A Preferred Shares issuance that was completed in September 2017. Generally, these investments were made in line with our long term, total return strategy. We believe that the additional assets will prove beneficial to shareholder returns in the long run.

Conclusion

The Ellsworth Growth and Income Fund has performed well, along with the U.S. convertible securities market. At year end, the weighted average current yield for the Fund's portfolio was 2.99%, and the median premium was 25.7%. The current portfolio has 56.3% of its assets invested in convertible bonds, 12.6% in mandatory convertible preferred shares, 6.3% invested in convertible preferred shares, and 22.1% in equities. Equity and equity alternative investments make up approximately 44.1%, total return issues are 43.4% and fixed income alternatives are 12.5% of the portfolio. We are focused on total return for our shareholders, and we feel that convertibles and select equities offer a good opportunity for asymmetric returns, allowing us to participate in a rising stock market while offering some downside protection should stocks fall.

Let's Talk Investments

The following are specifics on selected security holdings of our Fund. Favorable earnings prospects do not necessarily translate into higher stock prices, but they do express a positive trend that we believe will develop over time. Individual securities mentioned are not necessarily representative of the entire portfolio. For the following holdings, the convertible bond prices are listed in points, the convertible preferred shares are listed in United States dollars (USD) and the underlying share prices are listed first in USD and second in the local currency, where applicable, and are presented as of December 31, 2017.

Bristow Group Inc. (Cv., 4.50%, 6/1/2023), based in Houston, Texas, is a leading provider of industrial transportation services. BRS offers helicopter and fixed-wing transportation, primarily to the energy industry, search and rescue (SAR), and aircraft support services to government and civil organizations worldwide. Organized in two geographic hubs, North America and Europe, the company has a point of presence in all major offshore energy centers and has a long term contract with the UK to provide SAR services. This bond has an attractive yield and a modest premium.

Crown Castle International Corp. (Mandatory Preferred, 6.875%, 8/1/20) is a real estate investment trust based in Houston, Texas. The company owns, operates, and leases towers and other infrastructure for wireless communication, predominantly in the United States. CCI's traditional business has been to lease space on its towers to wireless companies, such as Verizon and AT&T, where they can mount their antennas. This business has been very strong over the years, as the wireless companies have been steadily upgrading their networks and

improving their coverage. We expect this to continue as we transition towards 5g and demand for wireless data continues to increase rapidly. Over the past few years, CCI has built out fiber infrastructure, mainly in large cities where they can allow “small cells” to tap into the network to improve coverage in specific locations. This infrastructure should be very beneficial in the transition to 5g. We are very bullish on the prospects for Crown Castle in the long term, and own this common stock with the expectation that we will see a nice mix of yield and capital appreciation.

Kaman (Cv. 3.25%, 5/1/2024) is a diversified company serving the aerospace, defense, and industrial markets. The Aerospace segment manufactures aircraft bearings, precision fuses, composite aerostructures, K-MAX helicopters, and performs helicopter subcontract work. In the Distribution segment, the company distributes power transmission, motion control, and fluid power components to a broad range of industries. This bond has an attractive yield and a modest premium.

Pacira Pharmaceuticals Inc. (Cv., 2.375%, 4/1/2022), based in Parsippany, New Jersey, manufactures and markets products that reduce the reliance on opioid medications post-surgery. They have developed a method to deliver analgesic medication directly to the incision site for a period of one to thirty days. With the recent emphasis on the need to reduce opioid use in the medical system, Pacira has partnered with Trinity Healthcare System to offer their patients an alternative methodology for pain management. Pacira has also partnered with the DePuy division of Johnson & Johnson to provide pain management for orthopedic procedures that reduces the need for systemic opioid use. The Pacira convertible bond is a less volatile way to invest in the growth potential for this new and timely approach to pain management. The bonds are somewhat sensitive to the movement of the underlying equity, and have a maturity date in 2022. The yield is 2.3%, with no yield on the underlying common stock.

Rambus Inc. (Cv., 1.375%, 2/1/2023) is a research technology company based in Sunnyvale, California. The company’s semiconductors and intellectual property are used in products that include memory, security, sensors, and lighting. RMBS’s traditional business was around licensing memory IP. Today their technology portfolio includes security for the Internet of things, mobile payments, and mobile ticketing, among others. As more devices become connected to one another in the Internet of things, security becomes increasingly important; this should be a great growth opportunity for RMBS looking forward. Additionally, as smartphones become ubiquitous, mobile payments and ticketing are two inevitable trends that will help make many users’ transactions and interactions more efficient and secure. RMBS will help power the technology behind this. We own this convertible as a conservative way to invest in what we think is a long term growth story. The convertible has a greater yield than the common stock, and should increasingly participate in the upside that we anticipate.

January 31, 2018

Top Ten Holdings
December 31, 2017

Alibaba Mandatory Exchangeable Trust, Cv., 5.75%, 06/01/2019	Cypress Semiconductor Co, 4.50%, 01/15/2022
Dish Network Corp., 3.38%, 08/15/2026	Inphi Corp., 1.13%, 12/01/2020
Equinix Inc.	MercadoLibre Inc., 2.25%, 07/01/2019
CSG Systems International Inc., 4.25%, 03/15/2036	SBA Communications Corp.
	InterDigital Inc., 1.50%, 03/01/2020
	Lumentum Holdings Inc., 0.25%, 03/15/2024

Note: The views expressed in this Shareholder Commentary reflect those of the Portfolio Managers only through the end of the period stated in this Shareholder Commentary. The Portfolio Managers' views are subject to change at any time based on market and other conditions. The information in this Shareholder Commentary represents the opinions of the individual Portfolio Managers and is not intended to be a forecast of future events, a guarantee of future results, or investment advice. Views expressed are those of the Portfolio Managers and may differ from those of other portfolio managers or of the Firm as a whole. This Shareholder Commentary does not constitute an offer of any transaction in any securities. Any recommendation contained herein may not be suitable for all investors. Information contained in this Shareholder Commentary has been obtained from sources we believe to be reliable, but cannot be guaranteed.

Common Stock Repurchase Plan

On November 19, 2015, The Board of Trustees of the Fund (the "Board") voted to enhance the Fund's Share Repurchase Program and authorize the repurchase of the Fund's shares of beneficial interest in the open market from time to time when the shares are trading at a discount of 10% or more from NAV. In total through December 31, 2017, the Fund has repurchased and retired 1,429,693 shares in the open market, at an average investment of \$8.47 per share and an average discount of approximately 16% from its NAV.

5% Distribution Policy for Common Stockholders

The Board of Directors of the Fund (the "Board") has reaffirmed the continuation of the Fund's 5% distribution policy. Pursuant to its distribution policy, the Fund paid a \$0.11 per share cash distribution on December 15, 2017 to common stockholders of record on November 14, 2017. The Fund intends to pay a minimum annual distribution of 5% of the Fund's trailing 12-month average month-end market price or an amount sufficient to satisfy the minimum distribution requirements of the Internal Revenue Code for regulated investment companies. Each quarter, the Board reviews the amount of any potential distribution from the income, capital gain, or capital available. The Board will continue to monitor the Fund's distribution level, taking into consideration the Fund's net asset value and the financial market environment. The Fund's distribution policy is subject to modification by the Board at any time.

The distribution rate should not be considered the dividend yield or total return on an investment in the Fund. If the Fund does not generate sufficient earnings (dividends and interest income and realized net capital gain) equal to or in excess of the aggregate distributions paid by the Fund in a given fiscal year, then the amount distributed in excess of the Fund's earnings would be deemed a return of capital. Since this would be considered a return of a portion of a shareholder's original investment, it is generally not taxable and is treated as a reduction in the shareholder's cost basis. Despite the challenges of the extra recordkeeping, a distribution that incorporates a return of capital serves as a smoothing mechanism resulting in a more stable and consistent cash flow available to shareholders.

Long term capital gains, qualified dividend income, ordinary income, and paid-in capital, if any, will be allocated on a pro-rata basis to all distributions to common shareholders for the fiscal year.

Based on the distribution allocations of the Fund as of December 31, 2017, the total distributions paid to common shareholders in 2017 represent approximately 49% from net investment income and 51% from net capital gains. The estimated components of each distribution are updated and provided to shareholders of record in a notice accompanying the distribution and are available on our website (www.gabelli.com). All shareholders with taxable accounts will receive written notification regarding the components and tax treatment for all 2017 distributions in early 2018 via Form 1099-DIV.

5.25% Series A Cumulative Preferred Shares – Initial Distribution

The Series A Preferred Shares paid a \$0.3572917 per share initial cash distribution payable on December 26, 2017 to Series A preferred shareholders of record on December 18, 2017. The Series A Preferred Shares, which trade on the NYSE American under the symbol “ECF Pr A”, are rated “A1” by Moody’s Investors Service and have an annual dividend rate of \$1.3125 per share. The Series A Preferred Shares were issued on September 18, 2017 at \$25.00 per share and will pay distributions quarterly. This initial distribution represents the accrual period from September 18, 2017 through December 25, 2017. The Series A Preferred Shares will be callable at any time at the liquidation value of \$25.00 per share plus accrued dividends following the expiration of the five year call protection on September 18, 2022. The next distribution is scheduled for March 2018.

The Board shares the Investment Adviser’s view that the issuance of the Preferred Shares is designed to benefit the common shareholders. To the extent that the Fund earns in excess of the dividend rate on the Preferred Shares, additional value will thereby be created for its common shareholders.

Long term capital gains, qualified dividend income, and ordinary income, if any, will be allocated on a pro-rata basis to all distributions to preferred shareholders for the year. Based on the distribution allocations of the Fund as of December 31, 2017, the total distributions paid to preferred shareholders in 2017 represent approximately 61% from net investment income and 39% from net capital gains. The estimated components of each distribution are updated and provided to shareholders of record in a notice accompanying the distribution and are available on our website (www.gabelli.com). All shareholders with taxable accounts will receive written notification regarding the components and tax treatment for all 2017 distributions in early 2018 via Form 1099-DIV.

Tax Treatment of Distributions to Common and Preferred Shareholders

All or part of the distributions may be treated as long term capital gain or qualified dividend income (or a combination of both) for individuals, each subject to the maximum federal income tax rate, which is currently 20% in taxable accounts for individuals. In addition, certain U.S. shareholders who are individuals, estates, or trusts and whose income exceeds certain thresholds will be required to pay a 3.8% Medicare surcharge on their “net investment income,” which includes dividends received from the Fund and capital gains from the sale or other disposition of shares of the Fund.

www.gabelli.com

Please visit us on the Internet. Our homepage at www.gabelli.com contains information about GAMCO Investors, Inc., the Gabelli/GAMCO Closed-End Funds and Mutual Funds, IRAs, 401(k)s, current and historical quarterly reports, closing prices, and other current news. We welcome your comments and questions via e-mail at closedend@gabelli.com.

ELLSWORTH GROWTH AND INCOME FUND LTD.

One Corporate Center
Rye, NY 10580-1422

Portfolio Management Team Biographies

Thomas Dinsmore, CFA, joined Gabelli Funds LLC in 2015. He currently serves as portfolio manager of Gabelli Funds, LLC and manages several funds within the Gabelli/GAMCO Funds Complex. From 1996 to 2015 Mr. Dinsmore was Chairman and CEO of Dinsmore Capital Management; CEO and Portfolio Manager of Bancroft Fund Ltd; and CEO, Portfolio Manager and co-founder of Ellsworth Growth and Income Fund Ltd. He has a B.S. in Economics from the Wharton School of Business, and an M.A. in Economics from Fairleigh Dickinson University.

Jane O’Keeffe joined Gabelli Funds LLC in 2015. She currently serves as a portfolio manager of Gabelli Funds, LLC and manages several funds within the Gabelli/GAMCO Funds Complex. From 1996 to 2015 Ms. O’Keeffe was President and Director of Dinsmore Capital Management where she was also a Portfolio Manager of Bancroft Fund Ltd. and Ellsworth Growth and Income Fund Ltd. In 1980, Ms. O’Keeffe began as an assistant to the portfolio manager of IDS Progressive Fund. From 1983 through March 1986, she had research and portfolio management responsibilities at Soros Fund Management Company. In 1986, she was a portfolio manager and research analyst at Simms Capital Management until she joined Fiduciary Trust International in 1988 where she became a Vice President and Portfolio Manager for individuals, endowments, and foundations. She has a B.A. from the University of New Hampshire and attended the Lubin Graduate School of Business at Pace University.

James Dinsmore, CFA, joined Gabelli Funds LLC in 2015. He currently serves as portfolio manager of Gabelli Funds, LLC and manages several funds within the Gabelli/GAMCO Funds Complex. Mr. Dinsmore received a BA in Economics from Cornell University and an MBA from Rutgers University.

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

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

The Net Asset Value per share may be obtained each day by calling (914) 921-5070 or visiting www.gabelli.com. The NASDAQ symbol for the Net Asset Value per share is “XECFX.”

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940, as amended, that the Fund may from time to time purchase its common shares in the open market when the Fund’s shares are trading at a discount of 7.5% or more from the net asset value of the shares. The Fund may also from time to time purchase shares of its preferred shares in the open market when the preferred shares are trading at a discount to the liquidation value.

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Portfolio Manager,
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Chief Executive Officer,
American Gaming Association

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Flom LLP

TRANSFER AGENT AND REGISTRAR

American Stock Transfer and
Trust Company

ECF

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December 31, 2017

Ellsworth Growth and Income Fund Ltd.

First Quarter Report — December 31, 2017

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Enclosed is the schedule of investments as of December 31, 2017.

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Ellsworth Growth and Income Fund Ltd.
Schedule of Investments — December 31, 2017 (Unaudited)

Principal Amount		Market Value	Principal Amount		Market Value
	CONVERTIBLE CORPORATE BONDS — 56.2%		\$ 1,491,000	RealPage Inc.,	
	Aerospace — 2.0%			1.500%, 11/15/22(a).....	\$ 1,852,567
\$ 1,000,000	Aerojet Rocketdyne Holdings Inc.,		1,500,000	Synchroneoss Technologies Inc.,	
	2.250%, 12/15/23.....	\$ 1,381,875		0.750%, 08/15/19.....	<u>1,352,813</u>
1,638,000	Kaman Corp.,				<u>15,669,493</u>
	3.250%, 05/01/24(a).....	<u>1,829,441</u>			
		<u>3,211,316</u>		Consumer Products — 1.7%	
	Automotive — 0.7%		1,100,000	GoPro Inc.,	
1,000,000	Tesla Inc.,			3.500%, 04/15/22(a).....	1,071,813
	1.250%, 03/01/21.....	<u>1,083,750</u>	617,000	JAKKS Pacific Inc.,	
				4.875%, 06/01/20(a).....	485,502
	Business Services — 1.6%		1,217,000	Wayfair Inc.,	
699,000	Bristow Group Inc.,	772,832		0.375%, 09/01/22(a).....	<u>1,273,286</u>
	4.500%, 06/01/23.....				<u>2,830,601</u>
1,135,000	Square Inc.,			Consumer Services — 2.4%	
	0.375%, 03/01/22(a).....	<u>1,856,434</u>	1,000,000	Carriage Services Inc.,	
		<u>2,629,266</u>		2.750%, 03/15/21.....	1,250,625
			1,500,000	Extra Space Storage LP,	
	Cable and Satellite — 2.6%			3.125%, 10/01/35(a).....	1,683,750
3,000,000	DISH Network Corp.,	3,271,875	972,000	Quotient Technology Inc.,	
	3.375%, 08/15/26.....			1.750%, 12/01/22(a).....	<u>951,345</u>
1,525,000	Global Eagle Entertainment Inc.,	929,297			<u>3,885,720</u>
	3.250%, 02/15/35.....	<u>4,201,172</u>		Diversified Industrial — 3.2%	
			750,000	Chart Industries Inc.,	
	Communications Equipment — 3.6%			1.000%, 11/15/24(a).....	787,969
1,000,000	Harmonic Inc.,	1,007,500	1,800,000	Knowles Corp.,	
	4.000%, 12/01/20.....			3.250%, 11/01/21.....	2,004,750
2,000,000	InterDigital Inc.,	2,390,000	1,695,000	Team Inc.,	
	1.500%, 03/01/20.....			5.000%, 08/01/23(a).....	1,721,484
2,135,000	Lumentum Holdings Inc.,	2,377,856	500,000	TimkenSteel Corp.,	
	0.250%, 03/15/24(a).....	<u>5,775,356</u>		6.000%, 06/01/21.....	<u>750,000</u>
					<u>5,264,203</u>
	Computer Software and Services — 9.6%			Energy and Utilities — 3.4%	
2,500,000	CSG Systems International Inc.,	2,731,250	1,500,000	Cheniere Energy Inc.,	
	4.250%, 03/15/36.....			4.250%, 03/15/45.....	1,071,563
817,000	HubSpot Inc.,	942,103	1,500,000	Chesapeake Energy Corp.,	
	0.250%, 06/01/22(a).....			5.500%, 09/15/26(a).....	1,373,437
502,000	IAC FinanceCo. Inc.,	531,493	258,000	Goodrich Petroleum Escrow Bond,	
	0.875%, 10/01/22(a).....			Zero Coupon, 12/31/21†(a)(b)(c)(d).....	0
450,000	Maxwell Technologies Inc.,	518,625	667,000	Newpark Resources Inc.,	
	5.500%, 09/15/22(a).....			4.000%, 12/01/21(a).....	795,814
1,000,000	MercadoLibre Inc.,	2,506,875	2,650,000	SunPower Corp.,	
	2.250%, 07/01/19.....			4.000%, 01/15/23.....	<u>2,267,406</u>
1,032,000	Nice Systems Inc.,	1,276,455			<u>5,508,220</u>
	1.250%, 01/15/24(a).....			Entertainment — 1.1%	
1,500,000	Proofpoint Inc.,	1,884,375	1,300,000	World Wrestling Entertainment Inc.,	
	0.750%, 06/15/20.....			3.375%, 12/15/23(a).....	<u>1,797,250</u>
500,000	PROS Holdings Inc.,	525,937			
1,700,000	2.000%, 12/01/19.....	1,547,000			
	2.000%, 06/01/47(a).....				

See accompanying notes to schedule of investments.

Ellsworth Growth and Income Fund Ltd.
Schedule of Investments (Continued) — December 31, 2017 (Unaudited)

<u>Shares</u>		<u>Market Value</u>
	COMMON STOCKS (Continued)	
	Semiconductors — 1.1%	
40,000	Intel Corp.....	\$ 1,846,400
	Telecommunications — 2.4%	
40,000	AT&T Inc.	1,555,200
16,119	T-Mobile US Inc.†	1,023,718
25,000	Verizon Communications Inc.	1,323,250
		<u>3,902,168</u>
	TOTAL COMMON STOCKS	<u>35,872,048</u>
	WARRANTS — 0.0%	
	Energy and Utilities — 0.0%	
781	Goodrich Petroleum Corp., expire 10/12/26†(b) ..	0
	U.S. GOVERNMENT OBLIGATIONS — 3.1%	
\$ 5,021,000	U.S. Treasury Bills, 1.238% to 1.471%††, 02/15/18 to 06/14/18	4,996,183
	TOTAL INVESTMENTS — 100.0% (Cost \$139,612,796)	<u>\$162,911,610</u>

- (a) Security exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At December 31, 2017, the market value of Rule 144A securities amounted to \$42,057,671 or 25.82% of total investments.
- (b) Security is valued using significant unobservable inputs and is classified as Level 3 in the fair value hierarchy.
- (c) At December 31, 2017, the Fund held an investment in a restricted and illiquid security amounting to \$0 or 0% of the Fund's total investments, which was valued under methods approved by the Board of Trustees as follows:

<u>Acquisition Principal Amount</u>	<u>Issuer</u>	<u>Acquisition Date</u>	<u>Acquisition Cost</u>	<u>12/31/17 Carrying Value Per Bond</u>
\$258,000	Goodrich Petroleum Escrow Bond, Zero Coupon, 12/31/21	12/14/16	\$0	\$0.00

- (d) Security in default.
- (e) Mandatory convertible securities are required to be converted on the dates listed; they generally may be converted prior to these dates at the option of the holder.
- † Non-income producing security.
- †† Represents annualized yield at date of purchase.

See accompanying notes to schedule of investments.

Ellsworth Growth and Income Fund Ltd.

Notes to Schedule of Investments (Unaudited)

As an investment company, the Fund follows the investment company accounting and reporting guidance, which is part of U.S. generally accepted accounting principles (“GAAP”) that may require the use of management estimates and assumptions in the preparation of its schedule of investments. Actual results could differ from those estimates. The following is a summary of significant accounting policies followed by the Fund in the preparation of its schedule of investments.

Security Valuation. Portfolio securities listed or traded on a nationally recognized securities exchange or traded in the U.S. over-the-counter market for which market quotations are readily available are valued at the last quoted sale price or a market’s official closing price as of the close of business on the day the securities are being valued. If there were no sales that day, the security is valued at the average of the closing bid and asked prices or, if there were no asked prices quoted on that day, then the security is valued at the closing bid price on that day. If no bid or asked prices are quoted on such day, the security is valued at the most recently available price or, if the Board of Trustees (the “Board”) so determines, by such other method as the Board shall determine in good faith to reflect its fair market value. Portfolio securities traded on more than one national securities exchange or market are valued according to the broadest and most representative market, as determined by Gabelli Funds, LLC (the “Adviser”).

Portfolio securities primarily traded on a foreign market are generally valued at the preceding closing values of such securities on the relevant market, but may be fair valued pursuant to procedures established by the Board if market conditions change significantly after the close of the foreign market, but prior to the close of business on the day the securities are being valued. Debt obligations for which market quotations are readily available are valued at the average of the latest bid and asked prices. If there were no asked prices quoted on such day, the security is valued using the closing bid price, unless the Board determines such amount does not reflect the securities’ fair value, in which case these securities will be fair valued as determined by the Board. Certain securities are valued principally using dealer quotations. Futures contracts are valued at the closing settlement price of the exchange or board of trade on which the applicable contract is traded. OTC futures and options on futures for which market quotations are readily available will be valued by quotations received from a pricing service or, if no quotations are available from a pricing service, by quotations obtained from one or more dealers in the instrument in question by the Adviser.

Securities and assets for which market quotations are not readily available are fair valued as determined by the Board. Fair valuation methodologies and procedures may include, but are not limited to: analysis and review of available financial and non-financial information about the company; comparisons with the valuation and changes in valuation of similar securities, including a comparison of foreign securities with the equivalent U.S. dollar value American Depositary Receipt securities at the close of the U.S. exchange; and evaluation of any other information that could be indicative of the value of the security.

The inputs and valuation techniques used to measure fair value of the Fund’s investments are summarized into three levels as described in the hierarchy below:

- Level 1 — quoted prices in active markets for identical securities;
- Level 2 — other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.); and
- Level 3 — significant unobservable inputs (including the Board’s determinations as to the fair value of investments).

Ellsworth Growth and Income Fund Ltd.

Notes to Schedule of Investments (Unaudited) (Continued)

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input both individually and in the aggregate that is significant to the fair value measurement. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of the Fund's investments in securities by inputs used to value the Fund's investments as of December 31, 2017 is as follows:

	Valuation Inputs			Total Market Value at 12/31/17
	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	
INVESTMENTS IN SECURITIES:				
ASSETS (Market Value):				
Convertible Corporate Bonds:				
Energy and Utilities	—	\$ 5,508,220	\$ 0	\$ 5,508,220
Other Industries (a)	—	86,042,783	—	86,042,783
Total Convertible Corporate Bonds	—	91,551,003	0	91,551,003
Convertible Preferred Stocks:				
Business Services	—	—	450,098	450,098
Food and Beverage	—	894,486	—	894,486
Other Industries (a)	\$ 7,326,185	—	—	7,326,185
Total Convertible Preferred Stocks	7,326,185	894,486	450,098	8,670,769
Mandatory Convertible Securities:				
Computer Software and Services	—	1,197,200	—	1,197,200
Diversified Industrial	—	2,048,787	—	2,048,787
Financial Services	—	7,389,825	—	7,389,825
Other Industries (a)	11,185,795	—	—	11,185,795
Total Mandatory Convertible Securities	11,185,795	10,635,812	—	21,821,607
Common Stocks (a)	35,872,048	—	—	35,872,048
Warrants (a)	—	—	0	0
U.S. Government Obligations	—	4,996,183	—	4,996,183
TOTAL INVESTMENTS IN SECURITIES	\$54,384,028	\$108,077,484	\$450,098	\$162,911,610

(a) Please refer to the Schedule of Investments ("SOI") for the industry classifications of these portfolio holdings.

Additional Information to Evaluate Qualitative Information.

General. The Fund uses recognized industry pricing services – approved by the Board and unaffiliated with the Adviser – to value most of its securities, and uses broker quotes provided by market makers of securities not valued by these and other recognized pricing sources. Several different pricing feeds are received to value domestic equity securities, international equity securities, preferred equity securities, and fixed income securities. The data within these feeds are ultimately sourced from major stock exchanges and trading systems where these securities trade. The prices supplied by external sources are checked by obtaining quotations or actual transaction prices from market participants. If a price obtained from the pricing source is deemed unreliable, prices will be sought from another pricing service or from a broker/dealer that trades that security or similar securities.

Fair Valuation. Fair valued securities may be common or preferred equities, warrants, options, rights, or fixed income obligations. Where appropriate, Level 3 securities are those for which market quotations are not available, such as securities not traded for several days, or for which current bids are not available, or which are restricted as to transfer. When fair valuing a security, factors to consider include recent prices of comparable securities that are publicly traded, reliable prices of securities not publicly traded, the use of valuation models, current analyst reports, valuing the income or cash flow of the issuer, or cost if the preceding factors do not

Ellsworth Growth and Income Fund Ltd.

Notes to Schedule of Investments (Unaudited) (Continued)

apply. A significant change in the unobservable inputs could result in a lower or higher value in Level 3 securities. The circumstances of Level 3 securities are frequently monitored to determine if fair valuation measures continue to apply.

The Adviser reports quarterly to the Board the results of the application of fair valuation policies and procedures. These may include backtesting the prices realized in subsequent trades of these fair valued securities to fair values previously recognized.

Investments in other Investment Companies. The Fund may invest, from time to time, in shares of other investment companies (or entities that would be considered investment companies but are excluded from the definition pursuant to certain exceptions under the 1940 Act) (the “Acquired Funds”) in accordance with the 1940 Act and related rules. Shareholders in the Fund would bear the pro rata portion of the periodic expenses of the Acquired Funds in addition to the Fund’s expenses. At December 31, 2017, the Fund’s pro rata portion of the periodic expenses charged by the Acquired Funds was 0.07%.

Foreign Currency Translations. The books and records of the Fund are maintained in U.S. dollars. Foreign currencies, investments, and other assets and liabilities are translated into U.S. dollars at current exchange rates. Purchases and sales of investment securities, income, and expenses are translated at the exchange rate prevailing on the respective dates of such transactions. Unrealized gains and losses that result from changes in foreign exchange rates and/or changes in market prices of securities have been included in unrealized appreciation/depreciation on investments and foreign currency translations. Net realized foreign currency gains and losses resulting from changes in exchange rates include foreign currency gains and losses between trade date and settlement date on investment securities transactions, foreign currency transactions, and the difference between the amounts of interest and dividends recorded on the books of the Fund and the amounts actually received. The portion of foreign currency gains and losses related to fluctuation in exchange rates between the initial purchase trade date and subsequent sale trade date is included in realized gain/(loss) on investments.

Foreign Securities. The Fund may directly purchase securities of foreign issuers. Investing in securities of foreign issuers involves special risks not typically associated with investing in securities of U.S. issuers. The risks include possible revaluation of currencies, the inability to repatriate funds, less complete financial information about companies, and possible future adverse political and economic developments. Moreover, securities of many foreign issuers and their markets may be less liquid and their prices more volatile than securities of comparable U.S. issuers.

Restricted Securities. The Fund may invest up to 15% of its net assets in securities for which the markets are restricted. Restricted securities include securities whose disposition is subject to substantial legal or contractual restrictions. The sale of restricted securities often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than the sale of securities eligible for trading on national securities exchanges or in the over-the-counter markets. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale. Securities freely saleable among qualified institutional investors under special rules adopted by the SEC may be treated as liquid if they satisfy liquidity standards established by the Board. The continued liquidity of such securities is not as well assured as that of publicly traded securities, and accordingly the Board will monitor their liquidity. For the restricted securities the Fund held as of December 31, 2017, refer to the Schedule of Investments.

Ellsworth Growth and Income Fund Ltd.
Notes to Schedule of Investments (Unaudited) (Continued)

Foreign Taxes. The Fund may be subject to foreign taxes on income, gains on investments, or currency repatriation, a portion of which may be recoverable. The Fund will accrue such taxes and recoveries as applicable, based upon its current interpretation of tax rules and regulations that exist in the markets in which it invests.

Tax Information. The Fund intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended.

**Ellsworth Growth and Income Fund Ltd.
One Corporate Center
Rye, NY 10580-1422**

(Y)our Portfolio Management Team Biographies

Thomas H. Dinsmore, CFA, joined Gabelli Funds, LLC in 2015. He currently serves as a portfolio manager of Gabelli Funds, LLC and manages several funds within the Gabelli/GAMCO Funds Complex. From 1996 to 2015, Mr. Dinsmore was Chairman and CEO of Dinsmore Capital Management; CEO and Portfolio Manager of Bancroft Fund Ltd; and CEO, Portfolio Manager, and co-founder of Ellsworth Growth and Income Fund Ltd. He received a B.S. in Economics from the Wharton School of Business and an M.A. degree in Economics from Fairleigh Dickinson University.

Jane D. O’Keeffe joined Gabelli Funds, LLC in 2015. She currently serves as a portfolio manager of Gabelli Funds, LLC and manages several funds within the Gabelli/GAMCO Funds Complex. From 1996 to 2015, Ms. O’Keeffe was President and Director of Dinsmore Capital Management where she was also a Portfolio Manager of Bancroft Fund Ltd. and Ellsworth Growth and Income Fund Ltd. Prior to joining Dinsmore Capital Management, Ms. O’Keeffe held positions of increasing responsibilities at IDS Progressive Fund, Soros Fund Management Company, Simms Capital Management, and Fiduciary Trust International. She earned a B.A. from the University of New Hampshire and attended the Lubin Graduate School of Business at Pace University.

James A. Dinsmore, CFA, joined Gabelli Funds, LLC in 2015. He currently serves as a portfolio manager of Gabelli Funds, LLC and manages several funds within the Gabelli/GAMCO Funds Complex. Mr. Dinsmore received a B.A. in Economics from Cornell University and an MBA degree from Rutgers University.

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

The Net Asset Value per share appears in the Publicly Traded Funds column, under the heading “Specialized Equity Funds,” in Monday’s The Wall Street Journal. It is also listed in Barron’s Mutual Funds/Closed End Funds section under the heading “Convertible Securities Funds.”

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

The NASDAQ symbol for the Net Asset Value is “XECFX.”

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940, as amended, that the Fund may from time to time purchase its common shares in the open market when the Fund’s shares are trading at a discount of 10.0% or more from the net asset value of the shares. The Fund may also from time to time purchase its preferred shares in the open market when the preferred shares are trading at a discount to the liquidation value.

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Gabelli Funds, LLC

CUSTODIAN

State Street Bank and Trust
Company

COUNSEL

Skadden, Arps, Slate, Meagher &
Flom LLP

TRANSFER AGENT AND REGISTRAR

American Stock Transfer and
Trust Company



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*First Quarter Report
December 31, 2017*