Ellsworth Growth and Income Fund Ltd.

Shareholder Commentary – September 30, 2017

(Y)our Portfolio Management Team

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

To Our Shareholders,

For the quarter ended September 30, 2017, the net asset value ("NAV") total return of the Ellsworth Growth and Income Fund Ltd. was 1.9%, compared with total returns of 3.8% and 0.9% for the 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 $10.18, while the price of the publicly traded shares closed at $9.26 on the NYSE American.

Comparative Results

Average Annual Returns through September 30, 2017 (a)(b)

	Quarter	1 Year	3 Year	5 Year	10 Year	Since Inception (6/30/86)
Ellsworth Growth and Income Fund Ltd.						
NAV Total Return (c)	1.89%	10.89%	6.78%	9.48%	5.77%	7.96%
Investment Total Return (d)	2.75	18.89	10.43	11.03	6.49	8.32
Bank of America Merrill Lynch U.S. Convertibles Index	3.77	14.30	6.82	11.01	6.82	N/A (e)
Bloomberg Barclays Balanced U.S. Convertibles Index	0.93	7.68	3.25	6.63	4.56	N/A (f)
Standard & Poor's (S&P) 500 Index	4.48	18.61	10.81	14.22	7.44	10.14

(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 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 begining 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 Bank of America Merrill Lynch U.S. Convertibles Index inception date is December 31, 1994.

(f) The Bloomberg Barclays Balanced U.S. Convertibles Index inception date is January 1, 2003.

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

Markets have continued to make gains in the third quarter, showing tremendous resilience despite geopolitical turmoil, an extraordinarily destructive hurricane season, a devastating earthquake in Mexico, and terrorism weighing on the world. The optimism in the domestic financial markets appears to stem from the focus on tax reform contributing to earnings and fueling economic growth. This has caused the more economically sensitive companies to rally. Tax reform should help smaller, domestically focused companies, as well as those who would benefit from the ability to repatriate global cash due to a lower tax burden. Other economic indicators seem to support the markets uptrend, such as improved factory orders and continued low unemployment. Slightly higher oil prices contributed to a strong move in the energy sector. Interest rates have moved slightly higher and have contributed to an uptrend in the financial sector.

We continue to see new issuance in the convertible market, with ten launching in September. This brings the year to date total to $31.3 billion across eighty-two issues. Technology issues continue to dominate, but we are seeing some new participants from other sectors. The convertible market still provides an attractive way to participate in the upside of the strong equity markets, while providing downside protection should the markets decline. Convertibles as an asset class have done well in 2017, as they have been more equity sensitive overall. The average current yield of the convertible market is 3.0%, and the average premium is 26.82%. Duration (a measure of interest rate sensitivity) is 2.94 years. We expect convertibles to provide asymmetric returns, participating in more of the upside of the equity markets as they rise, with the yield and short duration providing support should the equity markets fall.

In September, we completed an offering of cumulative preferred shares for the Fund and raised $30 million, which we intend to invest through a combination of expanding on current Fund holdings and making new additions to the portfolio. The preferred pays a 5.25% coupon, which we believe we can achieve through our total return strategy, focusing on both income and capital appreciation.

The Fund's portfolio has a weighted average current yield of 2.77% and a median premium of 25.9% as of September 30. We anticipate that the yield will move back towards a more typical range as we return to being fully invested after the influx of cash late in the quarter from the preferred issuance. The characteristics of the holdings are 43% equity sensitive, 42% total return, and 14% fixed income surrogates. Convertible bonds make up about 53% of the portfolio, while common stocks are 21%, mandatory convertibles are 12%, and convertible preferreds are 5%.

Conclusion

We remain focused on total return for our shareholders through a mix of income and capital appreciation. The strong new issuance of convertibles this year provides a broadening investment opportunity for the Fund, and is a sign of a healthy convertible market. We believe that convertibles offer an attractive asymmetric return profile, that will allow us to participate in a rising equity market while offering some downside protection in the form of yields and maturities, if we see a market correction. The equity portion of our portfolio offers a nice compliment to this strategy, with stocks that offer a mix of income and capital appreciation potential.

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 September 30, 2017.

Neurocrine Biosciences Inc. (Cv. 2.25%, 5/15/24) is a biotechnology company based in San Diego, California. The company is advancing small molecule therapies for neurologic, psychiatric, and endocrine disorders. This year the company received approval from the FDA for Ingrezza as a treatment for tardive dyskinesia, which it has begun to commercialize. The company has several other compounds in phase three development and has partnered with AbbVie with Elagolix in women's health. Other phase three products include Opicapone in Parkinson's disease and Ingrezza for Tourette's Syndrome. These convertible bonds are fairly sensitive to the underlying equity and provide a yield advantage over the common stock, which does not pay a dividend.

Rexnord Corp. (5.75%, 11/15/19) is a company that designs, manufactures, and distributes a wide range of products, including drive systems, bearings, seals, and plumbing equipment for use in industrial, food and beverage, energy, construction, and water infrastructure applications. The company's products possess strong cash generating properties due to their large installed bases, consistent replacement cycles, established sales and distribution networks, and scale. The company recently completed the multi-year reduction of its manufacturing footprint, which will provide approximately $30 million of annualized cost savings and a meaningful operating tailwind going forward. In late 2016, Rexnord raised $390 million through a mandatory convertible financing transaction, allowing the company to continue to deleverage its balance sheet, as well as provide the flexibility to pursue additional bolt-on transactions. This mandatory convertible preferred provides a yield of 4.94%, and represents an attractive alternative approach to investing in Rexnord, which has no common dividend.

SunPower Corp. (Cv. 4.00%, 1/15/23) is an integrated solar products and services company headquartered in San Jose, California. The company offers high efficiency solar energy solutions for homeowner, corporate, and government customers, as well as utility scale solar power plants. The company offers some of the most efficient systems in the industry, allowing for more power to be generated from a smaller footprint. SunPower should benefit over the long term as the world moves to generate more energy from renewable resources. French energy giant Total S.A. owns a majority of the shares outstanding, and has invested in many of SunPower's debt offerings. This convertible is trading below par and offers a very attractive yield. Given the company's prospects and the backing of Total, we expect to achieve the 8% yield to maturity, with the potential for growth beyond that, as the solar industry expands.

Team Inc. (5.00%, 8/1/23) is a leading provider of mechanical and inspection services. The company operates roughly 220 locations around the world, to perform on-site, emergency, and turnaround functions for a variety of industrial customers, including those in refining, petrochemical, power, and downstream energy. Team merged with smaller rival Furmanite Inc. in 2016, via an all-stock transaction designed to increase scale and enhance service offerings. Continued delays in customer spending, notably in turnaround activity, along with the ongoing integration of the businesses, has proven to be a challenge, and revenues and profits have been below management's and investor's expectations. Gary Yesavage, who has vast experience in the refinery industry and retired from Chevron Corp. (CVX) after over 40 years, was named interim CEO in September while the company searches for a permanent CEO. This 5% coupon convertible bond has a 6.05% yield to maturity, which provides an attractive alternative approach to investing in Team Inc. which has no common dividend.

Teladoc Inc. (Cv. 3.00%, 12/15/22) TDOC is a network of physicians, psychiatrists, and other licensed therapists who provide medical services through proprietary telehealth clinical guidelines. The company has partnered with payers and consumers to provide virtual care solutions for healthcare. They have recently signed contracts to provide services for the Blue Cross Blue Shield Federal Employee program. The Chronic Act, a bill that has recently gained traction in Congress, would broaden the use of telemedicine services across Medicare. These convertible bonds provide upside potential with the equity and offer a yield advantage over the common stock, which does not pay a dividend.

October 31, 2017

Top Ten Holdings
September 30, 2017

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

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 September 30, 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 August 24, 2017 to common stockholders of record on August 17, 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 accounting records of the Fund currently available, the current distribution paid to common shareholders in 2017 would include approximately 31% from net investment income and 69% from net capital gains on a book basis. 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). The final determination of the sources of all distributions in 2017 will be made after year end and can vary from the quarterly estimates. 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 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.

Offering of 5.25% Series A Preferred Shares Completed

The Board of Trustees of ECF is pleased to announce the completion of an offering of 1.2 million 5.25% Series A Cumulative Preferred Shares ("Series A Preferred") valued at $30 million. The offering closed on Monday, September 18, 2017. The Fund used the proceeds from the offering for investment purposes consistent with the Fund's investment objectives. The Series A Preferred is perpetual, non-callable for five years, and has a liquidation value of $25 per share. Distributions are scheduled to be paid quarterly beginning on December 26, 2017. Shares of the Series A Preferred trade on the NYSE American under the symbol "ECF Pr A".

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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. 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.

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