

Bancroft Convertible Fund, Inc.

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Second Quarter Update - April 30, 2002 (unaudited)

Financial Highlights

Market value 4/30/02	\$18.80
Net asset value (NAV) 4/30/02	\$20.68
Market discount to NAV	(9.09)%
12-Month income distribution	\$1.06
Yield on market value	5.64%
Capital gains distribution 12/27/01	\$0.00
Ratio of expenses to avg. net assets	1.15%*
Ratio of net income to avg. net assets	3.37%*
Portfolio turnover	53.60%
Shares outstanding	4,684,470

* Annualized.

Change in Net Asset Value (NAV)

	Per Share
Beginning NAV (10/31/01)	\$20.72
Changes in NAV from Operations:	
Net Investment Income	0.35
Realized Loss	(0.88)
Decrease in Unrealized Loss	1.07
Total Change from Operations	0.54
Distributions:	
Net Investment Income	(0.58)
Capital Gains	(0.00)
Total Change from Distributions	(0.58)
Total Change	(0.04)
Ending NAV (4/30/02)	\$20.68

Major Industry Exposure as of 4/30/02

	% of Net Assets
Financial & Insurance	9.8
Aerospace & Defense	9.3
Pharmaceuticals	8.0
Health Care	7.8
Technology	7.8
Energy	7.0
Retail	7.0
Telecommunications	6.6
Banking	6.0
Data-Processing Services	4.9

The portfolio holdings and industry exposure are as of April 30, 2002 and subject to change without notice.

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

Performance through 4/30/02 with dividends reinvested

	4 Months	1 Year	5 Years	10 Years
Bancroft market value (a)	(5.99)%	(3.20)%	73.14%	237.64%
Bancroft net asset value (b)	0.01	(2.30)	49.65	180.83
Closed-end conv. fund avg. (b)	0.08	(0.55)	37.33	153.37
S&P 500 (a)	(5.80)	(12.63)	43.92	216.60
Russell 2000 (a)	4.95	6.80	59.49	160.21(c)
Lehman Aggregate Bond Total Return Index (b)	2.03	7.84	44.65	106.29

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, April 30, 2002.

(c) Simple appreciation of index.

Quarterly History of NAV and Market Price

Qtr. Ended	Net Asset Values			Market Prices		
	High	Low	Close	High	Low	Close
Jul. 01	\$22.66	\$21.18	\$21.61	\$21.55	\$20.40	\$20.85
Oct. 01	21.76	19.84	20.72	22.35	18.70	18.75
Jan. 02	21.22	20.45	20.65	20.80	18.75	20.00
Apr. 02	20.76	20.44	20.68	20.30	18.56	18.80

Total Fund Investments as of 4/30/02

	(000's)	% of Net Assets
Convertible Bonds and Notes	\$ 70,116	72.4
Convertible Preferred Stocks	19,781	20.4
Short-term Investments	5,099	5.3
Other Assets	1,862	1.9
Net Assets	\$ 96,858	100.0%

Largest Investment Holdings as of 4/30/02

by underlying common stock	% of Net Assets
Washington Mutual, Inc.	2.4
L-3 Communications Holdings, Inc.	2.3
National Data Corp.	2.2
Telecom Corp. of New Zealand	2.1
Capital One Financial Corp.	2.0
Reinsurance Group of America, Inc.	2.0
School Specialty, Inc.	2.0
GenCorp Inc.	1.9
Johnson & Johnson	1.8
AmerisourceBergen Corp.	1.7

Portfolio of Investments April 30, 2002 (unaudited)

Principal Amount or Shares		Value
	ADVERTISING — 2.9%	
\$1,300,000	The Interpublic Group Cos., Inc. 1.80% 2004 cv. sub. notes (NR)	\$ 1,264,250
1,600,000	Young & Rubicam, Inc. 3% 2005 cv. sub. notes (Baa1)	1,538,000
		<u>2,802,250</u>
	AEROSPACE & DEFENSE — 9.3%	
1,625,000	GenCorp Inc. 5.75% 2007 cv. sub. notes 144A (B1)	1,832,188
1,500,000	The Goldman Sachs Group, Inc. 1.00% 2009 exch. equity-linked notes * (A1) (exch. for General Dynamics Corp. common stock)	1,525,920
750,000	L-3 Communications Holdings, Inc. 5.25% 2009 cv. sr. sub. notes 144A (Ba3) . .	1,263,750
750,000	L-3 Communications Holdings, Inc. 4% 2011 cv. sr. sub. CODES 144A * (Ba3)	1,004,063
12,500 shs	Northrop Grumman Corp. 7.25% equity units ** (Baa3)	1,610,938
20,000 shs	RC Trust I 8.25% equity security units ** (Ba2) (exch. for Raytheon Co. class B common stock)	1,392,500
705,000	SPACEHAB, Inc. 8% 2007 cv. sub. notes 144A (NR)	352,500
		<u>8,981,859</u>
	AUTOMOTIVE — 2.7%	
20,000 shs	Ford Motor Co. Capital Trust II 6.50% cv. pfd. (Baa2) (exch. for Ford Motor Co. common stock)	1,112,500
12,500 shs	General Motors Corp. Series B cv. sr. deb. (A3)	359,375
2,500,000	Lear Corp. 0% 2022 cv. sr. notes 144A (Ba1)	1,143,750
		<u>2,615,625</u>
	BANKING — 6.0%	
20,000 shs	Commerce Capital Trust II 5.95% cv. trust pfd. 144A (Baa1) (exch. for Commerce Bancorp common stock)	1,127,500
40,000 shs	National Australia Bank Ltd. 7.875% exch. capital units (A2)	1,340,000
15,000 shs	Sovereign Capital Trust II 7.50% trust PIERS (Ba3) (exch. for Sovereign Bancorp, Inc. common stock)	1,207,500
35,000 shs	Washington Mutual Capital Trust PIERS units 144A (Baa1) (exch. for Washington Mutual Inc. common stock)	1,859,375
5,000 shs	Washington Mutual Capital Trust PIERS units (Baa1) (exch. for Washington Mutual Inc. common stock)	265,625
		<u>5,800,000</u>
	CABLE — 2.8%	
1,000,000	Verizon Global Funding Corp. 4.25% 2005 euro. sr. exch. notes * (A1) (exch. for cash equiv. of Cable & Wireless Communications plc & NTL, Inc. common stocks)	1,006,250
1,000,000	Charter Communications, Inc. 5.75% 2005 cv. sr. notes (B3)	786,400
42,500 shs	Equity Securities Trust II 6.25% ** (NR) (exch. for Rainbow Media Group Class A tracking stock of Cablevision Systems Corp.)	953,594
		<u>2,746,244</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)	1,214,063
	DATA-PROCESSING SERVICES — 4.9%	
1,000,000	The BISYS Group, Inc. 4% 2006 cv. sub. notes 144A (NR)	1,195,625
1,000,000	Documentum, Inc. 4.50% 2007 cv. sr. notes 144A (NR)	937,500
2,000,000	National Data Corp. 5% 2003 cv. sub. notes (Ba3)	2,084,280
550,000	Online Resources & Communications Corp. 8% 2005 cv. sub. notes 144A (NR)	500,500
		<u>4,717,905</u>

Portfolio of Investments April 30, 2002 (continued)

Principal Amount or Shares		Value
	ENERGY — 7.0%	
20,400 shs	Apache Corp. \$2.015 dep. shs. representing ACES pfd. ** (Baa2)	\$1,076,916
500,000	Devon Energy Corp. 4.90% 2008 cv. sub. deb. * (BBB) (conv. into Chevron Corp. common stock)	496,105
\$1,000,000	Devon Energy Corp. 4.95% 2008 cv. sub. deb. * (BBB) (conv. into Chevron Corp. common stock)	993,680
3,300,000	El Paso Corp. 0% cv. deb. 144A (Baa2)	1,392,188
1,300,000	Kerr-McGee Corp. 5.25% 2010 cv. sub. deb. (Baa2)	1,499,784
30,000	Kerr-McGee Corp. 5.50% 2004 DECS ** (Baa2) (exch. for Devon Energy Corp. common stock)	1,342,500
		<u>6,801,173</u>
	ENTERTAINMENT — 1.5%	
3,000,000	News America, Inc. 0% 2021 LYONs 144A (Baa3) (exch. for ADSs representing The News Corp. Limited common stock)	1,416,270
	FINANCIAL & INSURANCE — 9.8%	
40,000 shs	Capital One Financial Corp. 6.25% Upper DECS ***,** (Baa3)	1,908,880
1,500,000	Exchangeable Certificate Corp. 0.625% 2005 exch. certificates 144A (Aaa)(exch. for American Express Company common stock)	1,395,000
17,500 shs	Prudential Financial Capital Trust I 6.25% equity security units ***,** (A3) (exch. for Prudential Financial, Inc. common stock)	976,719
40,000 shs	Reinsurance Group of America, Inc. 5.75% PIERS (Baa1)	1,905,000
1,000,000	Swiss Re America Holding Corp. 3.25% 2021 euro. sub. cv. bonds 144A (Aa1) (conv. into Swiss Reinsurance Company common stock)	973,750
40,000 shs	Travelers Property Casualty Corp. 4.50% 2032 cv. jr. sub. nts. (A2)	1,004,000
1,500,000	XL Capital, Ltd. 0% 2021 cv. deb. 144A * (A1)	963,150
500,000	XL Capital, Ltd. 0% 2021 cv. deb. * (A1)	321,050
		<u>9,447,549</u>
	HEALTH CARE — 7.8%	
1,000,000	AmerisourceBergen Corp. 5% 2007 cv. sub. notes 144A (Ba3)	1,626,000
1,500,000	Community Health Systems, Inc. 4.25% 2008 cv. sub. notes (B3)	1,638,525
1,000,000	Invitrogen, Inc. 5.50% 2007 cv. sub. notes (NR)	883,750
1,000,000	Medtronic, Inc. 1.25% 2021 cv. deb. * (A1)	1,015,200
1,250,000	Province Healthcare Company 4.25% 2008 cv. sub. notes 144A (B3)	1,415,625
600,000	Sunrise Assisted Living, Inc. 5.25% 2009 cv. sub. notes 144A (B3)	581,625
400,000	Sunrise Assisted Living, Inc. 5.25% 2009 cv. sub. notes (B3)	387,750
		<u>7,548,475</u>
	HOME BUILDING — 1.1%	
2,500,000	Masco Corp. 0% 2031 cv. sr. notes * (Baa1)	1,074,025
	MULTI-INDUSTRY — 1.9%	
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 †)	1,820,000
	PAPER & PAPER PRODUCTS — 0.8%	
15,000 shs	Temple-Inland, Inc. 7.50% Upper DECS ***,** (Baa3)	767,700

Portfolio of Investments April 30, 2002 (continued)

Principal Amount or Shares		Value
	PHARMACEUTICALS — 8.0%	
\$ 700,000	Alza Corp. 0% 2020 cv. sub. deb. (Aa1) (exch. for Johnson & Johnson common stock)	\$ 1,775,000
2,000,000	Cephalon, Inc. 2.50% 2006 cv. sub. notes 144A (NR)	925,000
1,000,000	Elan Finance Corporation Ltd. 0% 2018 LYONs 144A (Ba3) (exch. for ADRs representing Elan Corporation, plc common stock)	489,590
1,000,000	Elan Finance Corporation Ltd. 0% 2018 LYONs (Ba3) (exch. for ADRs representing Elan Corporation, plc common stock)	342,713
1,500,000	ICN Pharmaceuticals, Inc. 6.50% 2008 cv. sub. notes 144A (B+)	1,566,563
1,250,000	Ivax Corp. 5.50% 2007 cv. sr. sub. notes (NR)	1,043,750
1,315,000	Roche Holdings, Inc. 0% 2015 LYONs 144A (NR) (exch. for Genentech, Inc. common stock)	913,925
1,000,000	Sepracor, Inc. 7% 2005 cv. sub. deb. 144A (CCC+)	713,750
		7,770,291
	RETAIL — 7.0%	
1,000,000	Brinker International, Inc. 0% 2021 cv. sr. deb. 144A (Baa2)	693,890
500,000	Costco Wholesale Corp. 0% 2017 cv. sub. notes 144A (A3)	463,840
750,000	Costco Wholesale Corp. 0% 2017 cv. sub. notes (A3)	695,760
975,000	Duane Reade, Inc. 2.148% 2022 cv. sr. nts. 144A (Ba3)	575,250
750,000	The Gap, Inc. 5.75% 2009 cv. bonds 144A (Ba3)	839,393
1,000,000	J.C. Penney Co., Inc. 5% 2008 cv. sub. notes 144A (Ba3)	982,500
1,500,000	School Specialty, Inc. 6% 2008 cv. sub. notes 144A (B+)	1,693,695
250,000	School Specialty, Inc. 6% 2008 cv. sub. notes (B+)	282,283
500,000	Skechers U.S.A., Inc. 4.50% 2007 cv. bonds 144A (NR)	540,000
		6,766,611
	TECHNOLOGY — 7.8%	
750,000	Affiliated Computer Services, Inc. 3.50% 2006 cv. sub. notes 144A (Baa2)	1,046,100
1,000,000	Anadigics, Inc. 5% 2006 cv. sr. notes 144A (NR)	805,469
1,250,000	Analog Devices, Inc. 4.75% 2005 cv. sub. notes 144A (Baa1)	1,195,125
1,000,000	Brooks Automation, Inc. 4.75% 2008 cv. sub. notes 144A (NR)	890,000
250,000	Brooks Automation, Inc. 4.75% 2008 cv. sub. notes (NR)	222,500
1,000,000	Computer Associates Int'l, Inc. 5% 2007 cv. sr. notes 144A (Baa2)	1,081,320
1,500,000	CS First Boston, Inc. 1% 2006 medium-term exch. notes * (Aa3) (exch. for Microsoft Corp. common stock)	1,338,750
500,000	Kulicke & Soffa Industries, Inc. 4.75% 2006 cv. sub. notes (B3)	500,000
500,000	Rational Software Corp. 5% 2007 cv. sub. notes (NR)	440,350
		7,519,614
	TELECOMMUNICATIONS — 6.6%	
700,000	American Tower Corp. 2.25% 2009 cv. notes (Caa1)	476,000
4,000,000	Anixter International, Inc. 0% 2020 LYONs 144A (Ba3)	1,150,000
1,700,000	Anixter International, Inc. 0% 2020 LYONs (Ba3)	488,750
2,000,000	Bell Atlantic Financial Services, Inc. 5.75% 2003 sr. exch. notes 144A * (A1) (exch. for cash equiv. Telecom Corp. of New Zealand, Ltd. common stock)	2,021,000
1,000 shs	Lucent Technologies, Inc. 8% redeemable cv. pfd. (Caa2)	912,941
1,500,000	Tecnost International, N.V. 1% 2005 ADBs 144A (Baa2) (exch. for ADRs representing Telecom Italia S.p.A. common stock)	1,373,625
		6,422,316

Portfolio of Investments April 30, 2002 (continued)

Principal Amount or Shares		Value
	TRANSPORTATION — 3.8%	
\$1,000,000	Continental Airlines, Inc. 4.50% 2007 cv. notes (B2)	\$ 952,810
1,000,000	GATX Corp. 7.50% 2007 cv. sr. notes 144A (Baa3)	1,171,460
1,500,000	United Parcel Service, Inc. 1.75% 2007 cash-settled cv. sr. notes (Aaa)	<u>1,530,000</u>
		<u>3,654,270</u>
	U.S. TREASURY NOTES — 0.0%	
11,000	4% 4/30/03 #	<u>11,186</u>
	CORPORATE SHORT-TERM NOTES — 5.3%	
5,100,000	American Express Credit Corp. (P1) (1.78% maturing 5/3/02)	<u>5,099,244</u>
	Total Convertible Bonds and Notes — 72.4%	\$ 70,116,364
	Total Convertible Preferred Stocks — 20.4%	19,781,062
	Total Corporate Short-Term Notes — 5.3%	<u>5,099,244</u>
	Total Investments — 98.1%	94,996,664
	Other assets and liabilities, net — 1.9%	<u>1,861,720</u>
	Total Net Assets — 100.0%	<u>\$ 96,858,384</u>

* Contingent payment debt instrument. See Note 1(b) Annual Report to Shareholders, October 31, 2001.

** Mandatory convertible. See Note 1(e) Annual Report to Shareholders, October 31, 2001.

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

Collateral for a letter of credit.

ACES Automatically Convertible Equity Securities.
 ADBs American Depositary Bonds.
 ADRs American Depositary Receipts.
 ADSs American Depositary Shares.
 BASES Basket Adjusting Structured Equity Securities.
 CODES Contingent Debt Securities.
 DECS Debt Exchangeable for Common Stock.
 LYONs Liquid Yield Option Notes.
 PIERS Preferred Income Equity Redeemable Securities.