DNP SELECT INCOME FUND INC
Form N-CSRS
August 22, 2003

OMB APPROVAL

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-4915

DNP Select Income Fund Inc.
(Exact name of registrant as specified in charter)

55 East Monroe Street, Chicago, Illinois 60603
(Address of principal executive offices) (Zip code)

Nathan I. Partain
DNP Select Income Fund Inc.
55 East Monroe Street
Chicago, Illinois 60603

John R. Sagan
Mayer, Brown, Rowe & Maw LLP
190 South LaSalle Street
Chicago, Illinois 60603

(Name and address of agents for service)

Registrant's telephone number, including area code: (312) 368-5510

Date of fiscal year end: December 31

Date of reporting period: June 30, 2003

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. (S) 35

ITEM 1. REPORTS TO STOCKHOLDERS.

The Semi-Annual Report to Stockholders follows.

Dear Fellow Shareholders:

Performance Review: We are pleased to report that during the second quarter of 2003 your Fund had a total return (market price change plus income) of 11.6%, boosting year-to-date total return to 14.2%. In comparison, the S&P Utilities Index had a total return of 21.3% for the quarter and 17.5% year-to-date. A composite of the S&P Utilities Index and the Lehman Utility Bond Index, reflecting the stock and bond ratio of the Fund, had a total return of 16.6% for the second quarter and 15.6% year-to-date.

During the second quarter of 2003, your Fund paid three monthly 6.5 cent dividends. The 6.5 cent per share monthly rate, without compounding, would be 78 cents annualized, or a 7.18% common stock dividend yield based on the June 30, 2003 closing price of $10.87 per share. That yield compares favorably with the quarter-end yields of 4.10% on the Dow Jones Utility Index and 4.16% on the S&P Utilities Index.

The stock markets are off to a good start this year. The broad market and the utility sector have advanced strongly, especially in the second quarter. Within the utility sector, the stocks of highly leveraged and volatile companies have performed best, while the stocks of more financially strong and stable companies have lagged. Your Fund, in keeping with its primary investment objectives of current income and long-term growth of income, maintains a portfolio that is less aggressive than the hypothetical portfolio reflected in the utility indexes. As a result, our year-to-date total return has lagged the utility indexes to some extent. However, it is worth remembering that during 2002, when aggressive portfolios were faring more poorly, your Fund outperformed the S&P Utilities Index by approximately 27%.

Tax Law Change: At the end of May, President Bush signed into law the Jobs and Growth Tax Relief Reconciliation Act of 2003, lowering the income tax rates on qualifying dividends and long-term capital gains to 15% for the top four income tax brackets and to 5% for those in the 10% and 15% tax brackets. The definition of qualifying dividends is still being clarified but, in general and subject to a holding period requirement, stock dividends of U.S. corporations and foreign corporations listed on U.S. exchanges qualify for the reduced tax rate, with the exception of certain types of preferred stock and REITs. Mutual funds will generally be able to pass through to their shareholders the same tax treatment of qualifying dividends and long-term capital gains that would be applicable to the funds themselves. However, your Fund's dividend stream includes significant income from bonds, preferred stocks, and REITs, which may not qualify for the reduced tax rate. The exact impact of the tax law change on your Fund's dividend tax treatment depends on the assets held by the Fund during the year and will not be known until January 2004 when the Fund issues an IRS Form 1099 to each of its shareholders.

The Economic Outlook Has Brightened: The lower taxation of qualifying dividends is just one aspect of the tax law changes. The tax reductions also provide marriage penalty relief, an increase in the child tax credit, reduction in some individual tax rates, and incentives for investment. While fairness in tax structure was central to the debate, President Bush based his case for the tax cuts on the need for fiscal stimulus to boost economic growth. The tax law changes are the Administration's and Congress' response to a period of subdued economic growth, stubbornly high unemployment and low job creation, and moderate disinflation (a decline in the rate of inflation).

The Federal Reserve Board has also responded to the sub-par economic environment by lowering the federal funds rate thirteen times since December 2000, most recently in June of this year, to levels not seen for 45 years. Federal Reserve Chairman Alan Greenspan said in his recent semiannual testimony to the House of Representatives Financial Services Committee that the Fed intends to keep rates low for as long as needed to promote satisfactory economic performance.

Because of the recent volatility in economic indicators, it is not clear what would constitute satisfactory economic performance in the eyes of the Fed. Over the last six quarters, the Fed has seen a quarter of 5.0% real growth (first quarter 2002) only to be followed by a quarter of 1.3% growth, then a quarter of 4.0% growth (third quarter 2002) followed by two quarters of below 1.5% growth, and most recently a 2.4% quarterly growth rate (second quarter 2003). It is possible that the Fed will wait to see two consecutive quarters of strong growth before changing its accommodative policy.

It is widely anticipated that the combination of low interest rates and the recently passed tax legislation will provide a lift to the economy. It has been estimated that the tax changes will increase household cash flow by $35 billion, prompting a pickup in consumer spending. More importantly, it is hoped that lower tax rates will enable businesses to become more productive--creating jobs and increasing workers' incomes. In addition, low interest rates will continue to encourage home refinancing, which gives homeowners an opportunity to extract cash and/or lower their monthly payments. The resulting increase in consumer liquidity is expected to boost consumer confidence, and continue to benefit corporations by enabling them to borrow at lower interest rates and with less risk premium.

It thus appears that the economic factors are in place for improved consumer and business activity. If the economy improves, it is likely that the stock markets will improve, and that the virtuous cycle of compounding gains will be reestablished.

Back to Basics for the Electric and Natural Gas Groups: The first half of 2003 has been relatively uneventful for the utility sector compared to the prior fifteen months. The latter part of 2001 and most of 2002 were a tumultuous period for the utility sector, which was buffeted by a series of developments inconsistent with the sector's reputation as safe and stable. A confluence of events, including a dysfunctional California power market and high natural gas prices, forced energy prices higher, while at the end of the period a slow economy, an oversupply of generating capacity, and a contraction in energy trading kept energy prices below break-even for many generating facilities.

As a result, we have witnessed the bankruptcy, or near-bankruptcy, not only of several of the more aggressive energy merchants, but also of a number of traditional utilities. The rating agencies, due to heightened concerns about the utility industry following the "Enron Debacle", have sharply increased their scrutiny of utility companies. Many formerly high quality companies have experienced credit downgrades, some to well below investment grade resulting in a sharply higher corporate cost of capital, capital expenditure curtailment, dividend reductions or eliminations, and liquidity crises. Unethical energy trading practices, faulty electric and gas price reporting, and questionable accounting practices have further tarnished the industry's reputation.

As 2002 progressed, management turnover proliferated, and replacement management turned away from risky, high-growth endeavors and turned back to basics--the core businesses of providing electricity and natural gas in the most efficient manner possible. International business units, which served mostly as capital drains and distractions for management, were closed or divested. In addition, energy trading businesses not backed by physical assets were abandoned or wound down. Companies shored up stressed balance sheets by issuing new equity and selling "non-core" assets to reduce debt. Thus far in 2003, further progress has been made along these lines by most of the troubled companies in the sector. Balance sheets appear to be healthier, and there continue to be improvements in debt-to-capital ratios, as well as companies' ability to service interest costs. We view 2003 as a transition year, with continued progress towards restored financial health.

Investors have also embraced the back to basics concept, and many utility stock values have been helped by the sector's return to favor. Gone are expectations and pressure on utility managements to far exceed a low- to mid-single

digit earnings growth rate. Investors now recognize that higher growth rates--if achievable at all--require traditional regulated utility managements to engage in risky, highly uncertain strategies with which they are mostly unfamiliar. Investors have realized the value in the steady stream of cash flows that come from a utility's core distribution business and the natural hedge against risk of owned, rather than contracted or purchased, power generation. Cash flows underpin a company's ability to fund capital expenditures as well as dividends and, therefore, are an accurate and meaningful sign of the operating and financial health of a utility.

Fortunately, DNP's strategy has emphasized just these types of companies--stable and regulated distribution businesses with secure dividend streams. We intend to continue with this investment strategy in the future.

Board of Director's Meeting: At the July Board of Directors' meeting, the Board declared the following monthly dividends:

Cents Per Share	Record Date	Payable Date
6.5......	August 29	September 10
6.5......	September 30	October 10
6.5......	October 31	November 10

Automatic Dividend Reinvestment Plan and Direct Deposit Service--The Fund has a dividend reinvestment plan available as a benefit to all registered shareholders. As long as the market price of the common stock of the Fund exceeds or is equal to the net asset value per share, new shares for the dividend reinvestment program are issued at the greater of either 95% of the market price or net asset value. If the market price per share of common stock is below the net asset value per share, shares are purchased in the open market at prevailing market prices, plus any brokerage commissions paid by The Bank of New York.

Those shareholders whose shares are held for them by a brokerage house or nominee in "street-name" may not participate in the Fund's automatic dividend reinvestment plan. For such shareholders desiring automatic dividend reinvestment, we suggest you contact your broker or other nominee.

As an added service, without cost to the shareholder, the Fund offers direct deposit service through electronic funds transfer to all registered shareholders currently receiving a monthly dividend check. This service is offered through The Bank of New York. For more information and/or an authorization form on automatic dividend reinvestment or direct deposit, please contact The Bank of New York (1-877-381-2537 or http://stock.bankofny.com).

Visit us on the Web--You can obtain the most recent shareholder financial report and dividend information at our web site, http://www.dnpselectincome.com.

We appreciate your interest in DNP Select Income Fund Inc., and we will continue to do our best to be of service to you.

/s/ Claire V. Hansen

Claire V. Hansen, CFA

Chairman

/s/ Nathan I. Partain

Nathan I. Partain, CFA

President and Chief
Executive Officer

DNP SELECT INCOME FUND INC.
SCHEDULE OF INVESTMENTS
(UNAUDITED)
June 30, 2003

COMMON STOCKS--83.6%

Shares	Company	Market Value (Note 1)
	[_] ELECTRIC--46.3%	
1,000,000	Allete Inc.	$ 26,550,000
1,001,000	Ameren Corp.	44,144,100
800,000	Cinergy Corp.	29,432,000
1,000,000	Consolidated Edison Inc.	43,280,000
796,000	Dominion Resources	51,158,920
2,000,000	DQE Inc.	30,140,000
1,000,000	DTE Energy Co.	38,640,000
1,100,000	Energy East Corp.	22,836,000
1,000,000	Exelon Corp.	59,810,000
1,375,000	FirstEnergy Corp.	52,868,750
900,000	FPL Group Inc.	60,165,000

1,080,000	Iberdrola S.A. (Spain)....................	18,702,587
215,000	National Grid Group PLC ADR...............	7,333,650
770,000	National Grid Transco PLC (United Kingdom).	5,222,191
1,318,600	NSTAR.....................................	60,062,230
1,375,000	Progress Energy Inc.......................	60,362,500
1,000,000	Public Service Enterprise Group...........	42,250,000
850,000	Scottish & Southern Energy (United Kingdom)	8,738,305
100,000	Scottish & Southern Energy ADR............	10,296,860
2,300,000	Southern Co...............................	71,668,000
1,500,000	Vectren Corp..............................	37,575,000

		781,236,093
	[_] GAS--7.4%	
926,000	AGL Resources.............................	23,557,440
1,000,000	Keyspan Corp..............................	35,450,000
900,000	Peoples Energy Corp.......................	38,601,000
1,000,000	WGL Holdings Inc..........................	26,700,000

		124,308,440

The accompanying notes are an integral part of the financial statements.

DNP SELECT INCOME FUND INC.
SCHEDULE OF INVESTMENTS--(Continued)
(UNAUDITED)
June 30, 2003

Shares	Company	Market Value (Note 1)
	[_] TELECOMMUNICATION--15.6%	
1,000,000	Alltel Corp.........................	$ 48,220,000
1,730,000	BellSouth Corp......................	46,069,900
1,637,230	SBC Communications Inc..............	41,831,226
411,000	Swisscom AG ADR.....................	11,647,740
856,250	Telecom Corp. of New Zealand Ltd. ADR	20,858,250
534,000	Telefonica S.A. ADR.................	18,460,380
1,068,400	Telstra Corp. ADR...................	15,865,740
1,519,000	Verizon Communications..............	59,924,550

		262,877,786
	[_] NON-UTILITY--14.3%	
177,450	Archstone Smith Trust...............	4,258,800
80,000	Arden Realty Inc....................	2,076,000
309,400	Boston Properties Inc...............	13,551,720
109,200	Camden Property Trust...............	3,816,540
347,984	CBL & Associates Properties Inc......	14,963,312

224,770	Centerpoint Properties Corp..........	13,767,162
435,000	Chelsea GCA Realty Inc...............	17,534,850
100,000	Colonial Properties Trust............	3,519,000
209,589	Corporate Office Properties Trust....	3,548,342
410,605	Developers Diversified Realty Corp...	11,677,606
200,000	Duke Realty Corp.....................	5,510,000
186,550	Equity Office Properties Trust.......	5,038,715
191,100	Equity Residential Properties Trust..	4,959,045
75,621	Essex Property Trust Inc.............	4,329,302
250,250	General Growth Properties, Inc.......	15,625,610
67,000	Health Care Property Investors Inc...	2,837,450
127,930	Health Care Realty Trust Inc.........	3,729,160
95,000	Hospitality Properties Trust.........	2,968,750
242,424	iStar Financial Inc..................	8,848,476
250,250	The Macerich Co......................	8,791,283
183,075	Maguire Properties Inc...............	3,524,194
273,000	Pan Pacific Retail Properties Inc....	10,742,550
495,600	ProLogis Trust.......................	13,529,880

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DNP SELECT INCOME FUND INC.
SCHEDULE OF INVESTMENTS--(Continued)
(UNAUDITED)
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Shares	Company	Market Value (Note 1)
90,000	Realty Income Corp........................	$ 3,427,200
263,900	S.L. Green Realty Properties Inc...........	9,207,471
108,624	Shurgard Storage Centers Inc...............	3,593,282
352,170	Simon Property Group.......................	13,745,195
527,800	United Dominion Realty Trust...............	9,088,716
315,000	Vornado Realty Trust.......................	13,734,000
210,892	Weingarten Realty Investors................	8,836,375
		240,779,986
	Total Common Stocks (Cost--$1,307,884,752).	1,409,202,305
PREFERRED STOCKS--17.1%		
	[_] UTILITY--17.1%	
200,000	Alltel Corp. 7 3/4% due 5/17/05............	9,950,000
750,000	Ameren Corp. 9 3/4% due 5/15/05............	21,315,000
1,200,000	Centurytel Inc. 6 7/8% due 5/15/05.........	34,080,000
626,200	Cinergy Corp. 9 1/2% due 2/16/05...........	37,096,088
450,000	Dominion Resources Inc. 9 1/2% due 11/16/04	26,532,000
986,700	DTE Energy Co. 8 3/4% due 8/16/05..........	25,940,343
550,000	Duke Energy Corp. 8 1/4% due 5/18/04.......	8,723,000

223,500	EIX Trust II Series B 8.60% due 10/29/29 **	6,392,100
500,000	FPL Group Inc. 8 1/2% due 2/16/05..........	29,815,000
412,000	Keyspan Corp. 8 3/4% due 5/16/05...........	21,815,400
775,000	Oneok Inc. 8 1/2% due 2/16/06..............	21,839,500
500,000	Sempra Energy 8 1/2% due 5/17/05...........	13,720,000
17,100	Southern Union 5 3/4% due 8/16/05..........	911,430
400,000	TXU Corp. 8 3/4% due 11/16/05..............	13,240,000
500,000	TXU Corp. 8 1/8% due 5/16/06...............	17,270,000
	Total Preferred Stocks (Cost--$282,187,804)	288,639,861

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DNP SELECT INCOME FUND INC.
SCHEDULE OF INVESTMENTS--(Continued)
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BONDS--40.7%

		Ratings			
Par Value	Company	Fitch	Moody's	Standard and Poor's	Market Value (Note 1)
	[_] ELECTRIC--11.5%				
$ 8,571,000	Cleveland Electric Illuminating 9%, due 7/01/23.................	BBB	Baa2	BBB	$ 9,001,616
18,050,000	Comed Financing II 8 1/2%, due 1/15/27.............	Not Rated	Baa2	BBB	21,064,747
7,500,000	Commonwealth Edison Co. 9 7/8%, due 6/15/20.............	A-	A3	A-	8,724,585
6,000,000	Dayton Power and Light 8.15% due 1/15/26...............	A	A2	BBB	6,254,100
24,000,000	Dominion Resources Capital Trust 7.83%, due 12/01/27.............	Not Rated	Baa2	BBB-	26,900,712
5,000,000	Gulf States Utilities 8.94%, due 1/01/22..............	Not Rated	Baa3	BBB-	5,206,935
5,000,000	Illinois Power Co. 7 1/2, due 7/15/25..............	CCC+	B3	B	4,650,000
13,725,000	Niagara Mohawk Power Corp. 8 7/8, due 5/15/07..............	Not Rated	Baa3	A-	16,523,816
5,000,000	Progress Energy Inc 73/4%, due 3/1/31...............	BBB-	Baa2	BBB	6,028,350
9,000,000	PSEG Power 8 5/8%, due 4/15/31.............	Not Rated	Baa1	BBB	11,645,136
22,750,000	Puget Capital Trust 8.231%, due 6/01/27.............	Not Rated	Ba1	BB	22,709,505
13,000,000	Southern Co. Capital Trust				

	8.14%, due 2/15/27.............	Not Rated	Baa1	BBB+	14,969,552
9,000,000	Texas Utilities Corp.				
	7 7/8%, due 3/1/23.............	A-	Baa1	BBB	9,413,550
10,000,000	Virginia Electric & Power Co.				
	8 5/8%, due 10/01/24...........	Not Rated	A2	A-	11,140,020
17,700,000	Virginia Electric & Power Co.				
	8 1/4%, due 3/01/25............	Not Rated	A2	A-	19,910,358

					194,142,982

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		Ratings			
Par Value	Company	Fitch	Moody's	Standard and Poor's	Market Value (Note 1)
	[_] GAS--4.3%				
$ 5,000,000	KN Energy Inc.				
	71/4%, due 3/01/28...........	BBB	Baa2	BBB	$ 5,806,950
10,000,000	Northern Border Partners L.P.				
	8 7/8%, due 6/15/10..........	BBB+	Baa2	BBB+	12,208,410
15,000,000	Panhandle Eastern				
	8 5/8%, due 4/15/25..........	BBB	Baa3	BBB	16,755,150
6,488,000	Southern Union Co.				
	7.60%, due 2/01/24...........	BBB	Baa3	BBB	7,334,989
8,850,000	Southern Union Co.				
	81/4%, due 11/15/29..........	BBB	Baa3	BBB	10,357,350
10,000,000	TE Products Pipeline Co.				
	7.51%, due 1/15/28...........	Not Rated	Baa3	BBB	10,497,760
9,000,000	Trans-Canada Pipeline				
	9 1/8%, due 4/20/06..........	Not Rated	A3	BBB+	10,366,650

					73,327,259
	[_] TELECOMMUNICATION--8.6%				
15,000,000	AT&T Corporation				
	8.35%, due 1/15/25...........	BBB+	Baa2	BBB+	16,023,495
10,000,000	BellSouth Capital Funding				
	7 7/8%, due 2/15/30..........	A+	A1	A+	13,098,780
25,000,000	British Telecom PLC				
	8 7/8%, due 12/15/30.........	A	Baa1	A-	34,241,150
5,000,000	Centurytel Inc.				
	6 7/8%, due 1/15/28..........	Not Rated	Baa2	BBB+	5,723,805
10,000,000	Centurytel Inc.				
	8 3/8%, due 10/15/10.........	Not Rated	Baa2	BBB+	12,639,760
10,000,000	France Telecom				

	7 3/4%, due 3/01/11..........	BBB-	Baa3	BBB	12,607,560
13,250,000	GTE California Inc.				
	8.07%, due 4/15/24...........	AA	A1	A+	14,317,738
17,625,000	GTE Corp.				
	7.90%, due 2/01/27...........	A+	A3	A+	20,083,176
5,000,000	GTE North Inc., Series C				
	7 5/8%, due 5/15/26..........	AA	A1	A+	5,476,080
4,314,000	Tritel PCS Inc.				
	10 3/8%, due 1/15/11.........	BBB	Baa2	BBB	5,295,435
5,000,000	Vodafone Group PLC				
	7 7/8%, due 2/15/30..........	A	A2	A	6,465,870
					145,972,849

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SCHEDULE OF INVESTMENTS--(Continued)
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		Ratings			
Par Value	Company	Fitch	Moody's	Standard and Poor's	Market Value (Note 1)
	[_] NON-UTILITY--16.3%				
#$15,000,000	American General Finance Corp.				
	1.46%, due 5/28/04.............	A+	A1	A+	$ 15,000,000
# 25,000,000	Belford U.S. Capital Co. LLC				
	1.29%, due 6/18/04.............	AAA	NR	AAA	25,012,600
# 25,000,000	CIT Group Inc.				
	2.03%, due 4/8/04..............	A	A2	A	25,085,500
# 25,000,000	Daimler Chrysler NA Holdings				
	1.51%, due 8/21/03.............	NR	A3	BBB+	25,001,000
8,000,000	Dayton Hudson Corp.				
	9 7/8%, due 7/01/20............	A	A2	A+	11,667,000
19,940,000	EOP Operating LP				
	71/2%, due 4/19/29.............	BBB+	Baa1	BBB+	23,039,015
# 25,000,000	General Electric Capital Corp.				
	1.58%, due 10/22/03............	NR	Aaa	AAA	25,009,700
# 25,000,000	General Motors Acceptance Corp.				
	1.59%, due 11/07/03............	BBB+	A3	BBB	24,964,000
# 25,000,000	Household Finance Corp.				
	1.63%, due 5/28/04.............	A	A1	A	25,086,400
# 25,000,000	Morgan Stanley Dean Witter				
	1.55%, due 5/18/04.............	AA-	Aa3	A+	25,086,050
# 25,000,000	Northern Rock PLC				
	1.56%, due 7/22/03.............	A+	NR	A	25,002,350
# 25,000,000	Salomon Smith Barney Holdings				
	1.64%, due 5/07/04.............	AA+	Aa1	AA-	25,045,200

		274,998,815
	Total Bonds (Cost--$645,545,252)......................	688,441,905

U.S. TREASURY OBLIGATION--0.1%

2,000,000	U.S. Treasury Bond 10 3/4%, due 8/15/05.................................	2,393,360
	Total U.S. Treasury Obligation (Cost--$2,172,756).................................	2,393,360

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DNP SELECT INCOME FUND INC.
SCHEDULE OF INVESTMENTS--(Continued)
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Par Value	Company	Mark Valu (Note
	U.S. GOVERNMENT AGENCY OBLIGATIONS--9.4%	
$125,000,000	Federal Home Loan Mortgage Corp. 9%, due 2/26/04..	$ 131,
25,000,000	Federal Home Loan Mortgage Corp. 9%, due 11/15/13...	27,
	Total U.S. Government Agency Obligations (Cost--$158,926,534)............	158,
	MONEY MARKET INSTRUMENTS--15.4%	
# 2,859,917	AIM STIC Liquid Assets Portfolio..	2,
# 25,000,000	CCN Orchard Park LLC 1.435%, due 10/06/03...	25,
# 19,193,000	Concord Minuteman Capital CP Series A 1.20%, due 7/01/03..	19,
# 24,000,000	Deutsche Bank Securities Inc. Repurchase Agreement, 1.435%, dated 6/30/03, due 7/01/03, collateralized by $24,480,000 MSDWC 2001-NC4 M2 2.685% CMO due 1/25/32..	24,
40,000,000	General Electric Capital Corp. 1.25%, due 7/01/03..	40,
# 19,039,025	Janus Institutional Cash Reserves Fund..................................	19,
# 100,000,000	Merrill Lynch, Pierce Fenner & Smith Repurchase Agreement, 1.455%, dated 6/30/03, due 7/01/03, collateralized by $5,907,432 EOP Operating LP 7% due 7/15/11; $6,661,750 Canadian National Railways 7.375% due 10/15/31; $10,537,844 Time Warner Entertainment 8.375% due 7/15/33; $7,907,103 Sears Roebuck Acceptance 6.75% due 8/15/11; $5,450,876 Marathon Oil Corp.	

	5.375% due 6/01/07; $7,022,181 Federated Dept. Stores 8.5% due 6/01/10; $6,514,236 Spieker Properties LP 7.35% due 12/01/17; $8,975,638 Kinder Morgan Energy Partners 7.40% due 3/15/31; $5,809,700 Spieker Properties LP 7.25% due 5/01/09; $6,232,554 Spieker Properties LP 6.80% due 5/01/04; $8,998,435 Spieker Properties LP 7.125% due 12/01/06; $7,330,706 Avalon Bay Communities 6.80% due 7/15/06; $9,456,853 Prologis Trust 7.10% due 4/15/08; $7,620,874 AOL Time Warner Inc. 7.625% due 4/15/31; $5,906 Valassis Communications 1.08% 144A due 5/22/33	100,
# 7,205,745	NYLIM Institutional Prime Cash Fund	7,
# 22,000,000	Regency Markets No. 1 LLC Fund Discount CP 1.07%, due 7/21/03	22,
	Total Money Market Instruments (Amortized Cost--$259,279,361)	259,
TOTAL INVESTMENTS (Cost--$2,655,996,459) (166.3%)		$2,806,9

** Dividends currently are deferred.

This security was purchased with the cash proceeds from securities loans.

The percentage shown for each investment category is the total value of that category as a percentage of the net assets applicable to common shares of the Fund.

The accompanying notes are an integral part of the financial statements.

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DNP SELECT INCOME FUND INC.
BALANCE SHEET
(UNAUDITED)
June 30, 2003

ASSETS:	
Investments at market value:	
Common stocks (cost $1,307,884,752)	$1,40
Preferred stocks cost ($282,187,804)	28
Bonds (cost $645,545,252)	68
U.S. Treasury obligation (cost $2,172,756)	
U.S. government agency obligations (cost $158,926,534)	15
Money market instruments (amortized cost $259,279,361)	25
Total investments at value (cost--$2,655,996,459) including $445,950,507 of securities loaned	2,80
Interest-bearing deposits with custodian	
Receivables:	
Securites sold	4
Interest	
Dividends	
Securities lending income	
Securities lending broker rebates	
Prepaid expenses	
Total Assets	$2,87
LIABILITIES:	

Payable for securities purchased	1
Due to Adviser (Note 2)	
Due to Administrator (Note 2)	
Dividends payable on common stock	1
Dividends payable on remarketed preferred stock	
Accrued expenses	
Commercial paper outstanding (Note 6)	19
Payable upon return of securities on loan	45
Total Liabilities	$ 68
Remarketed preferred stock ($.001 par value; 100,000,000 shares authorized and 5,000 shares issued and outstanding, liquidation preference $100,000 per share) (Note 5)	50
CAPITAL:	
Common stock ($.001 par value; 250,000,000 shares authorized and 217,500,379 shares issued and outstanding) (Note 4)	
Paid-in surplus (Note 4)	1,94
Accumulated net realized loss on investments	(40
Distributions in excess of book net investment income	(
Net unrealized appreciation (depreciation) on investments, foreign currency translation and collateral held for securities on loan	15
Net assets applicable to common stock (equivalent to $7.76 per share based on 217,500,379 shares outstanding	1,68
Total Liabilities, Remarketed Preferred Stock and Capital	$2,87

The accompanying notes are an integral part of the financial statements.

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DNP SELECT INCOME FUND INC.
STATEMENT OF OPERATIONS
(UNAUDITED)
For the six months ended June 30, 2003

INVESTMENT INCOME:	
Interest	$ 17,07
Dividends (less withholding tax of $277,782)	80,84
Securities lending income, net	51
Total investment income	98,43
EXPENSES:	
Management fees (Note 2)	6,38
Commercial paper interest expense (Note 6)	1,51
Administrative fees (Note 2)	1,64
Transfer agent fees	23
Custodian fees	25
Remarketing agent fees	62
Shareholder reports	32
Professional fees	20
Directors' fees (Note 2)	25
Other expenses	59
Total expenses	12,03

Net investment income...	86,39
REALIZED AND UNREALIZED GAIN (LOSS):	
Net realized loss on investments..	(40,99
Net change in unrealized appreciation (depreciation) on investments, collateral held for securities on loan and foreign currency translation................................	125,03
Net realized and unrealized gain..	84,03
DISTRIBUTIONS TO PREFERRED SHAREHOLDERS:	
From net investment income..	(3,26
Net increase in net assets applicable to common shares resulting from operations........	$167,17

The accompanying notes are an integral part of the financial statements.

DNP SELECT INCOME FUND INC.
STATEMENT OF CHANGES IN NET ASSETS

	For the six months ended June 30, 2003 (UNAUDITED)	For e Dece
FROM OPERATIONS:		
Net investment income..	$ 86,398,172	$ 16
Net realized loss..	(40,997,409)	(29
Net change in unrealized appreciation/(depreciation) on investments, collateral held for securities on loan, and foreign currency translation	125,034,978	(8
Distributions to preferred shareholders from net investment income........	(3,262,369)	(
Net increase (decrease) in net assets applicable to common shares resulting from operations..	167,173,372	(22
DISTRIBUTIONS TO COMMON STOCKHOLDERS FROM:		
Net investment income--(Note 3)..	(84,610,969)	(16
Total distributions to common stockholders............................	(84,610,969)	(16
FROM CAPITAL STOCK TRANSACTIONS (Note 4):		
Shares issued to common stockholders from dividend reinvestment..........	13,012,090	2
Net increase in net assets derived from capital share transactions........	13,012,090	2
Total increase (decrease)..	95,574,493	(36
TOTAL NET ASSETS APPLICABLE TO COMMON SHARES:		
Beginning of period..	1,592,970,433	1,95
End of period (including distributions in excess of book net investment		

income of $3,726,281, and $2,418,188, respectively)	$1,688,544,926	$1,59

The accompanying notes are an integral part of the financial statements.

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DNP SELECT INCOME FUND INC.
STATEMENT OF CASH FLOWS
(UNAUDITED)
For the six months ended June 30, 2003

Cash Flows From (For):		
OPERATING ACTIVITIES		
Interest received	$ 18,308,025	
Income dividends received	77,359,598	
Securities lending income, net	539,378	
Operating expenses paid (excluding interest)	(10,825,785)	
Interest paid on commercial paper	(2,078,462)	
Net cash provided by operating activities		83,3
INVESTING ACTIVITIES		
Purchase of investment securities	(2,911,810,513)	
Proceeds from sale/redemption of investment securities	2,897,456,481	
Amortization of premiums and discounts on debt securities	5,695,476	
Net cash used in investing activities		(8,6
FINANCING ACTIVITIES		
Dividends paid	(87,949,623)	
Proceeds from issuance of common stock under dividend reinvestment plan	13,012,090	
Change in net proceeds from issuance of commercial paper	799,618	
Net cash used in financing activities		(74,1
Net increase in cash and cash equivalents		5
Cash and cash equivalents--beginning of period		5,3
Cash and cash equivalents--end of period		$ 5,8
Reconciliation of net investment income to net cash provided by operating activities:		
Net investment income		$ 86,3
Adjustments to reconcile net investment income to net cash provided by operating activities:		
Decrease in interest receivable	1,230,780	
Increase in dividends receivable	(3,485,930)	
Decrease in accrued expenses	(865,336)	
Decrease in other receivable	25,068	
Total adjustments		3,0
Net cash provided by operating activities		$ 83,3

The accompanying notes are an integral part of the financial statements.

DNP SELECT INCOME FUND INC.
NOTES TO FINANCIAL STATEMENTS
(UNAUDITED)
June 30, 2003

(1) SIGNIFICANT ACCOUNTING POLICIES:

DNP SELECT INCOME FUND INC. (the "Fund", formerly Duff & Phelps Utilities Income Inc.) was incorporated under the laws of the State of Maryland on November 26, 1986. The Fund commenced operations on January 21, 1987, as a closed-end diversified management investment company registered under the Investment Company Act of 1940. The primary investment objectives of the Fund are current income and long-term growth of income. Capital appreciation is a secondary objective.

The following are the significant accounting policies of the Fund:

(a) The market values for securities are determined as follows: Equity securities traded on a national securities exchange or traded over-the-counter and quoted on the NASDAQ System are valued at last sales prices. Fixed income securities and any other securities for which it is determined that market prices are unavailable or inappropriate are valued at a fair value using a procedure determined in good faith by the Board of Directors which includes the use of a pricing service. Each money market instrument having a maturity of 60 days or less is valued on an amortized cost basis, which approximates market value.

(b) No provision is made for Federal income taxes since the Fund has elected to be taxed as a "regulated investment company" and has made such distributions to its shareholders deemed necessary to be relieved of all Federal income taxes under provisions of current Federal tax law. The Fund intends to utilize provisions of Federal income tax laws which allow a realized capital loss to be carried forward for eight years following the year of loss and offset such losses against any future realized gains. At December 31, 2002, the Fund had tax capital loss carry forwards of $199,205,932 which expire beginning on December 31, 2003. For the period November 1, 2002 through December 31, 2002, the Fund incurred net realized capital losses of $181,983,140. The Fund intends to treat these losses as having occurred on January 1, 2003.

At December 31, 2002, on a tax basis, the Fund had undistributed net investment income of $2,103,117; and based on a $2,792,953,260 tax cost of investments, gross unrealized appreciation of $139,857,445 and unrealized depreciation of $126,699,675. The difference between the book basis and tax basis of distributable earnings are primarily a result of tax deferral of wash sale losses, the accretion of market discount and amortization of premiums.

(c) The accounts of the Fund are kept on the accrual basis of accounting. Security transactions are recorded on the trade date. Realized gains or losses from sales of securities are determined on the specific identified cost basis. Dividend income is recognized on the ex-dividend date. Interest income and expense are recognized on the accrual basis. Discounts and premiums on securities are amortized over the lives of the respective securities for book purposes. Discounts and premiums are not amortized for tax purposes.

(d) The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

(e) As required, effective January 1, 2002, the Fund has adopted the classification requirement of EITF D-98, Classification and Measurement of Redeemable Securities. EITF D-98 requires that preferred stock be presented separately at liquidation preference on the balance sheet. Accordingly, certain reclassifications have been made to the statement of operations, statement of changes in net assets and financial highlights for all periods presented. The adoption of EITF D-98 had no impact on the net asset value of the common stock of the Fund.

(2) MANAGEMENT ARRANGEMENTS:

The Fund has engaged Duff & Phelps Investment Management Co. (the "Adviser") to provide professional investment management services for the Fund and has engaged J. J. B. Hilliard, W. L. Lyons, Inc. (the "Administrator") to provide administrative and management services for the Fund. The Adviser receives a quarterly fee at an annual rate of .60% of the average weekly net assets of the Fund up to $1.5 billion and .50% of average weekly net assets in excess thereof. The Administrator receives a quarterly fee at annual rates of .25% of average weekly net assets up to $100 million, .20% of average weekly net assets from $100 million to $1 billion, and .10% of average weekly net assets over $1 billion. For purposes of the foregoing calculations, "average weekly net assets" is defined as the sum of (i) the aggregate net asset value of the Fund's common stock (ii) the aggregate liquidation preference of the Fund's preferred stock and (iii) the aggregate proceeds to the Fund of commercial paper issued by the Fund. Directors of the Fund not affiliated with the Adviser receive a fee of $25,000 per year plus $2,000 per board meeting, plus $1,500 per committee meeting attended. Committee Chairmen receive an additional fee of $5,000 per year. Total fees paid to directors for the six months ended June 30, 2003 were $247,195. Transfer agent and custodian fees are paid to The Bank of New York.

(3) DIVIDENDS:

The Board of Directors has authorized the following distributions to common stockholders from investment income in 2003:

Record Date	Payable Date	Dividend Per Share	Record Date	Payable Date	Dividend Per Share
01-31-03	02-10-03	$.065	04-30-03	05-12-03	$.065

02-28-03	03-10-03	.065	05-30-03	06-10-03	.065
03-31-03	04-10-03	.065	06-30-03	07-10-03	.065

The tax basis for all distributions was ordinary income.

(4) CAPITAL STOCK TRANSACTIONS:

The Fund may purchase shares of its own stock in open market or private transactions, from time to time and in such amounts and at such prices (not exceeding $100,000 plus accumulated and unpaid dividends in the case of the Fund's remarketed preferred stock and less than net asset value in the case of the Fund's common stock) as management may deem advisable. Since any such purchases of the Fund's common stock would be made at prices below net asset value, they would increase the net asset value per share of the remaining shares of common stock outstanding. The Fund has not purchased any shares of its common stock.

Transactions in common stock and paid-in surplus during 2002 and for the six months ended June 30, 2003 were as follows:

	Shares	Amount
For the year ended December 31, 2002:		
Beginning capitalization............	213,521,241	$1,910,025,460
Dividend reinvestment..............	2,648,274	25,906,297
Total capitalization............	216,169,515	$1,935,931,757
For the six months ended June 30, 2003:		
Beginning capitalization............	216,169,515	$1,935,931,757
Dividend reinvestment..............	1,330,864	13,012,090
Total capitalization............	217,500,379	$1,948,943,847

(5) REMARKETED PREFERRED STOCK:

In 1988, the Fund issued 5,000 shares of Remarketed Preferred Stock ("RP") in five series of 1,000 shares each at a public offering price of $100,000 per share. The underwriting discount and other expenses incurred in connection with the issuance of the RP were recorded as a reduction of paid-in surplus on common stock. Dividends on the RP are cumulative at a rate which was initially established for each series at its offering. Since the initial offering of each series, the dividend rate on each series has been reset every 49 days by a remarketing process. Dividend rates ranged from 1.05% to 1.43% during the six months ended June 30, 2003.

The RP is redeemable at the option of the Fund on any dividend payment date at a redemption price equal to $100,000 per share, plus accumulated and unpaid dividends. The Fund is required to maintain certain asset coverage with respect to the RP, and the RP is subject to mandatory redemption if that asset coverage is not maintained. Each series of RP is also subject to mandatory redemption on a date certain as follows: Series A--November 28, 2012; Series B--November 18, 2015; Series C--November 7, 2018; Series D--December 22, 2021; and Series E--December 11, 2024.

In general, the holders of the RP and of the Common Stock have equal voting rights of one vote per share, except that the holders of the RP, as a class, vote to elect two members of the Board of Directors, and separate class votes are required on certain matters that affect the respective interests of the RP and the Common Stock. The RP has a liquidation preference of $100,000 per share plus accumulated and unpaid dividends.

(6) COMMERCIAL PAPER:

The Board of Directors has authorized the Fund to issue up to $200,000,000 of Commercial Paper Notes (the "Notes") in minimum denominations of $100,000 with maturities up to 270 days. The Notes generally will be sold on a discount basis, but may be sold on an interest-bearing basis. The Notes are not redeemable by the Fund nor are they subject to voluntary prepayment prior to maturity. The aggregate amount of Notes outstanding changes from time to time. The Notes are unsecured, general obligations of the Fund. The Fund has entered into a credit agreement to provide liquidity. The Fund is able to request loans under the credit agreement of up to $100,000,000 at any one time, subject to certain restrictions. Interest rates on the Notes ranged from 1.23% to 1.40% during the six months ended June 30, 2003. At June 30, 2003, the Fund had Notes outstanding of $198,755,057.

(7) INVESTMENT TRANSACTIONS:

For the six months ended June 30, 2003, purchases and sales of investment securities (excluding short-term securities) were $2,843,676,518 and $2,829,268,803, respectively.

The Fund may lend portfolio securities to a broker/dealer. Loans are required to be secured at all times by collateral at least equal to the market value of securities loaned. The Fund receives a portion of the income earned on the securities held as collateral and continues to earn income on the loaned securities. Security loans are subject to the risk of failure by the borrower to return the loaned securities in which case the Fund could incur a loss. At June 30, 2003, the Fund had loaned portfolio securities with a market value of $445,950,507 to a broker/dealer and received $459,546,575 of cash collateral. This cash was invested in securities as shown in the Schedule of Investments.

DNP SELECT INCOME FUND INC.
FINANCIAL HIGHLIGHTS--SELECTED PER SHARE DATA AND RATIOS

The table below provides information about income and capital changes for a share of common stock outstanding throughout the periods indicated:

	For the six months ended June 30, 2003 (UNAUDITED)	For the year ended December 31				
		2002	2001	2000	1999	1

Net asset value:						
Beginning of period........	$ 7.37	$ 9.18	$ 10.51	$ 8.77	$ 10.36	$
Net investment income......	0.40	0.79	0.77	0.88	0.89	
Net realized gain (loss) and change in unrealized appreciation/ (depreciation) on investments.............	0.40	(1.78)	(1.23)	1.76	(1.59)	
Dividends on preferred stock from net investment income........	(0.02)	(0.04)	(0.08)	(0.11)	(0.10)	
Total from investment operations applicable to common shares...........	0.78	(1.03)	(0.54)	2.53	(0.80)	
Dividends on common stock from net investment income........	(0.39)	(0.78)	(0.79)	(0.79)	(0.79)	
Net asset value:						
End of period.............	$ 7.76	$ 7.37	$ 9.18	$ 10.51	$ 8.77	$
Per share market value:						
End of period.............	$ 10.87	$ 9.90	$ 11.06	$ 10.50	$ 8.31	$
Ratio of expenses to average net assets applicable to common stock.............	1.53%*	1.44%	1.57%	1.79%	1.66%	
Ratio of net investment income to average net assets applicable to common stock.............	11.00%*	9.63%	8.63%	9.73%	9.40%	
Total investment return.....	14.21%	(3.04%)	13.67%	37.37%	(19.85%)	
Portfolio turnover rate.....	128.24%	197.27%	213.48%	229.70%	223.78%	
Net assets applicable to common stock, end of period (000s omitted).....	$1,583,655	$1,592,970	$1,959,697	$2,216,014	$1,828,128	$2,1

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* Annualized

Board of Directors

FRANKLIN A. COLE

GORDON B. DAVIDSON

CONNIE K. DUCKWORTH

ROBERT J. GENETSKI

CLAIRE V. HANSEN, CFA

FRANCIS E. JEFFRIES, CFA

NANCY LAMPTON

CHRISTIAN H. POINDEXTER

CARL F. POLLARD

DAVID J. VITALE

Officers

CLAIRE V. HANSEN, CFA
Chairman

NATHAN I. PARTAIN, CFA
President and Chief Executive Officer

T. BROOKS BEITTEL, CFA
Senior Vice President, and Secretary

MICHAEL SCHATT
Senior Vice President

JOSEPH C. CURRY, JR.
Vice President and Treasurer

DIANNA P. WENGLER
Assistant Secretary

DNP Select
Income Fund Inc.

Common stock listed on the New York Stock Exchange under the symbol DNP

55 East Monroe Street
Chicago, Illinois 60603
(312) 368-5510

Shareholder inquiries please contact

Transfer Agent
Dividend Disbursing
Agent and Custodian

The Bank of New York
Shareholder Relations
Church Street Station
P.O. Box 11258
New York, New York 10286-1258
(877) 381-2537

Investment Adviser

Duff & Phelps
Investment Management Co.
55 East Monroe Street
Chicago, Illinois 60603

Administrator

J.J.B. Hilliard, W.L. Lyons, Inc.
Hilliard Lyons Center
Louisville, Kentucky 40202
(888) 878-7845

Legal Counsel

Mayer, Brown, Rowe & Maw
190 South LaSalle Street
Chicago, Illinois 60603

Independent Auditors

Ernst & Young LLP
233 South Wacker Drive
Chicago, Illinois 60606

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DNP Select
Income Fund Inc.

Semi-Annual Report

June 30, 2003

[LOGO]

ITEM 2. CODE OF ETHICS.

Not applicable to semi-annual reports.

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.

Not applicable to semi-annual reports.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Not applicable to semi-annual reports.

ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS

Not applicable to semi-annual reports.

ITEM 6. [RESERVED]

ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Not applicable to semi-annual reports.

ITEM 8 [RESERVED]

ITEM 9. CONTROLS AND PROCEDURES.

(a) Within the 90-day period prior to the filing of this report, the registrant's management carried out an evaluation, with the participation of the Chief Executive Officer and Chief Financial

Officer, of the effectiveness of the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940). Based on their evaluation, the Chief Executive Officer and Chief Financial Officer believe that the registrant's disclosure controls and procedures are effective to ensure that information required to be disclosed by the registrant on Form N-CSR is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms.

(b) There have been no changes in the registrant's internal control over financial reporting during the registrant's most recent fiscal half-year that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 10. EXHIBITS.

(a)(1) Not applicable to semi-annual reports.

(a)(2)

Exhibit 99.CERT Certifications pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

(b)

Exhibit 99.906CERT Certifications pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(Registrant) DNP SELECT INCOME FUND INC.

By (Signature and Title) /s/ NATHAN I. PARTAIN

Nathan I. Partain
President and Chief Executive Officer

Date August 22, 2003

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By (Signature and Title) /s/ NATHAN I. PARTAIN

Nathan I. Partain
President and Chief Executive Officer

Date August 22, 2003

By (Signature and Title) /s/ JOSEPH C. CURRY, JR.

Joseph C. Curry
Vice President and Treasurer

Date	August 22, 2003