FIRST OPPORTUNITY FUND INC
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First Opportunity Fund, Inc.
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Boulder Growth & Income Fund, Inc.
Investment Company Act File No. 811-02328
]

Dear Stockholders:

On November 4, 2013, a press release was issued announcing that the board of directors of each of First Opportunity Fund, Inc. (the "Fund"), Boulder Total Return Fund, Inc., The Denali Fund Inc. and Boulder Growth & Income Fund, Inc. approved the reorganization of each of these funds into a single surviving fund, which, subject to the approval of various matters by stockholders of each fund, will be the Boulder Growth & Income Fund, Inc. If you have not had a chance to view the press release, it is available on the Fund's recently launched website at www.boulderfunds.net. I am excited by the proposed reorganization and believe it represents an important step in our efforts to better serve the Fund's stockholders and to potentially indirectly reduce the Fund's share price discount. I will delve more into this topic later in the letter, but let me first provide a review of the Fund's performance.

For the six-month period ending September 30, 2013, the Fund generated an absolute return of 5.7% on net assets. The Fund's solid absolute performance over the period compares favorably to the 5.1% return of the Dow Jones Industrial Average (DJIA), but it was not enough to keep pace with the 8.3% return generated by the S&P 500 or the 16.2% return generated by the NASDAQ Composite.

	3 mos.	6 mos.	One Year	Three Years*	Five Years*	Ten Years*	Since June 2010**
FOFI (NAV)	3.2%	5.7%	13.8%	10.5%	7.4%	4.3%	10.2%
FOFI (Market)	1.1%	2.0%	8.2%	8.2%	2.3%	2.8%	8.8%
S&P 500 Index	5.2%	8.3%	19.3%	16.2%	10.0%	7.6%	16.3%
DJIA	2.1%	5.1%	15.6%	14.9%	9.9%	7.7%	15.7%
NASDAQ Composite	11.2%	16.2%	23.0%	18.3%	13.8%	8.9%	18.1%

* Annualized
** Annualized since June 1, 2010, when the current Advisers became investment advisers to the Fund.

The performance data quoted represents past performance. Past performance is no guarantee of future results. Fund returns include reinvested dividends and distributions, but do not reflect the reduction of taxes that a stockholder would pay on Fund distributions or the sale of Fund shares and do not reflect brokerage commissions, if any. Returns of the S&P 500 Index, the DJIA and the NASDAQ Composite include reinvested dividends and distributions. You cannot invest directly in any of these indices. The investment return and the principal value of an investment will fluctuate and shares, if sold, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted.

Two of the key contributors to the Fund's performance on an absolute basis for the six-month period were the Fund's position in Bay Pond, L.P. (Bay Pond) and Wolf Creek Investors (Bermuda), L.P. (Wolf Creek). For the period, Bay Pond generated a 5.3% return and Wolf Creek generated a 5.1% return. As seen in previous periods, their large contribution to performance was partially driven by their large position sizes as Bay Pond accounted for roughly 16.7% of total assets and Wolf Creek accounted for roughly 16.6% of total assets. While both positions generated solid absolute returns during the period, their returns trailed those of the S&P 500 resulting in a drag on relative performance.

Additional key contributors to performance on an absolute, as well as, relative basis were the Fund's large positions in Wells Fargo & Company (Wells Fargo), Cisco Systems, Inc. (Cisco) and Kohl's Corporation (Kohl's), which generated returns for the period of 13.4%, 13.8% and 13.7%, respectively. Despite the strong performance for each of these positions during the period, we believe that the market continues to underappreciate these high quality companies and that their stocks remain attractively valued.

On the other end of the spectrum, a key detractor to the Fund's performance on an absolute and relative basis was its position in International Business Machines Corporation (IBM). For the period, the Fund's position in IBM generated a negative 12.3% return. The negative impact on performance was amplified by the large weight of the position in the Fund as it accounted for roughly 3.3% of total assets at period end. The company's poor stock performance over the period was primarily driven by weaker than expected operating results due to a combination of softer demand trends in key markets and some execution issues. While we feel the company has taken actions to correct its execution issues, demand headwinds are expected to persist for at least the next couple of quarters. Despite these recent issues, we believe the company's strong underlying business fundamentals remain firmly intact and it should continue to produce attractive earnings and free cash flow over the long run. At the current price, we believe the company's stock continues to trade at a discount to the intrinsic value of the business.

Another key detractor to performance was the Fund's position in Linn Energy LLC (Linn Energy), which generated a negative 28.1% return for the period and accounted for approximately 0.2% of total assets at period end. In July of this year, the company voluntarily disclosed that the Securities and Exchange Commission (SEC) had commenced a private inquiry into Linn Energy and Linn Co LLC (Linn Co) in relation to the proposed merger with Berry Petroleum Company (Berry) and Linn Energy's and Linn Co's use of non-GAAP financials and their hedging strategy among other things. The announcement resulted in a sharp decline in Linn Energy's stock price, which immediately put the completion of the favorably viewed proposed merger with Berry in doubt. Despite the shock of the announcement, we maintained our investment discipline and carefully reviewed the situation. As we believed the prevailing stock price after the announcement undervalued the business on a stand-alone basis, we made the decision to maintain the Fund's position in Linn Energy. While the stock continues to trade below its pre-announcement level, it has gradually recovered since the announcement. This remains a position that we will monitor closely.

Other detractors to performance for the period were the Fund's positions in NSE India, SI Financial Group and Transocean Limited (Transocean), which generated returns for the period of a negative 17.8%, a negative 5.6% and a negative 10.5%, respectively. We continue to view each of these positions favorably and even added to the Fund's position in Transocean during the period.

Going forward, we believe the Fund's portfolio is well positioned to deliver solid long-term returns due to its attractively valued investments in high-quality, defensible businesses. We believe it has become more difficult to find attractive investment opportunities in today's market as rapid price appreciation over the past year has caused the market to be fairly valued in our opinion. We will remain active in our efforts to identify new investment opportunities, but we will not chase valuations higher. As I have stated in previous letters, our investment philosophy is to invest in good companies at attractive valuations for the long-run. If elevated valuations prevent us making these investments, we are content to wait until conditions become more favorable. If the market continues to appreciate at its current pace, we believe the Fund should persist in the generation of absolute returns. However, by maintaining investment discipline in the face of rising valuations, the Fund may run the risk of underperforming relative to its benchmarks. This will especially be the case if we believe stock valuations begin to trade at unreasonable premiums to their underlying businesses at which point the Fund may rotate more into cash assets. Regardless of the market environment, we will continue to adhere to our investment philosophy as we firmly believe it has the capacity to deliver superior absolute returns over the long-run.

As discussed in prior letters, we are committed to finding better ways to serve the Fund's stockholders. As part of this commitment, we launched the new website for the Fund in August of this year. Our goal in designing the new site was to provide, in a single location, current and potential stockholders with relevant and easy to understand information and insight into the Fund, the advisers and the underlying investment philosophy used in the management of the Fund. While we feel the new site has achieved this goal, we will continue to look for ways to make improvements and welcome any feedback you may have.

We have also been working diligently on the aforementioned proposed reorganization. While there is still a lot that needs to be done before the reorganization becomes a reality, we are excited by the progress made to date. We believe reorganizing into one surviving fund will not only benefit the Fund's stockholders, but will potentially help indirectly reduce the Fund's share price discount to net asset value per share. While I invite you to review the press release for additional information, there are some key aspects of the reorganization that we think underscore these beliefs.

To begin, we believe the proposed reorganizations represent a common sense approach to managing each of the funds involved. All four of the participating funds are managed by the same portfolio managers, utilize the same investment philosophy, share similar investment objectives and have similarly constructed portfolios. By combining these similarly managed funds, the reorganization would allow for the elimination of the operational redundancies encountered in managing these four funds separately. As an example, the number of stockholder letters I write each year would be reduced from eight to two as a result of the reorganization. Although I thoroughly enjoy writing these letters, the change would allow me to re-focus my time on activities that we believe could provide greater benefit to the fund's stockholders, such as investment research. We expect similar benefits to extend to the board of directors level as the boards of the participating funds would be consolidated into the single board of the surviving fund.

Furthermore, we believe the proposed reorganizations will provide additional benefits in relation to such issues as advisory and administrative fees, secondary market liquidity and market visibility among others. In connection with the proposed reorganizations, stockholders will be asked to approve, among other things and depending on the fund in which they own shares, changes to charter documents, fundamental investment policies, and new investment advisory agreements. The new investment advisory agreements provide for a reduction of the current advisory fee rate. These proposals are described in greater detail in the press release and in the forthcoming joint proxy statement/prospectus.

In addition, the surviving fund is expected to benefit from lower total administration fees than currently paid for by the four funds on a standalone basis due to the triggering of existing fee reduction breakpoints. We also expect that secondary market liquidity may increase as a result of the proposed reorganizations as the surviving fund will benefit from a larger asset and share base. For stockholders of the Fund, the expected increase in secondary market liquidity should be further bolstered by the fact that the surviving fund is expected to keep its listing on the New York Stock Exchange, whereas the Fund is currently only traded in the over-the-counter market. We further believe the reorganization should result in an increase in overall market visibility and investment interest in the surviving fund as its larger size and increased secondary liquidity should open the surviving fund to a larger universe of potential investors. It is our hope that the combination of the advisory fee reduction, the potential increase in secondary market liquidity, any improvement in market visibility and other related effects of the proposed reorganization will help narrow the share price discount to net asset value per share of the surviving fund.

We understand that, in the course of their review of the reorganizations, the funds' boards have considered potential benefits such as those described above, as well as reductions in issuer concentrations, narrowing of discounts and consolidation of advisory service arrangements. We also understand that the boards have considered potential disadvantages associated with the reorganizations, including the possibility of portfolio rebalancing and the attendant transaction costs.

Again, there is still work to be done and hurdles to be cleared before the proposed reorganization becomes a reality. As we believe the reorganization represents an important step forward in our efforts to better serve the Fund's stockholders and address the Fund's share price discount, we will continue to work diligently towards its implementation. I encourage you all to take the time to thoroughly review all the relevant information related to the reorganization as it becomes available and come to your own conclusion. We hope you will view it as favorably as we do.

In the meantime, I would like to wish you all a safe and happy holiday season and I look forward to writing you again soon.

Sincerely,

/s/ Brendon Fischer
Brendon Fischer, CFA

Portfolio Manager

November 5, 2013

The views and opinions in the preceding commentary are as of the date of this letter and are subject to change at any time. This material represents an assessment of the market environment at a specific point in time, should not be relied upon as investment advice and is not intended to predict or depict performance of any investment.

Portfolio weightings and other figures in the foregoing commentary are provided as of period-end, unless otherwise stated.

This letter is not intended to, and does not, constitute an offer to sell, or solicitation of an offer to buy, shares of any of the Fund or Boulder Growth & Income Fund, Inc.; nor is this letter intended to solicit a proxy from any stockholder of any of the aforementioned funds. Such solicitations will only be made by a final, effective registration statement, which includes a definitive Joint Proxy Statement/Prospectus (the "Registration Statement"), after the Registration Statement is declared effective by the SEC.

INVESTORS AND SECURITY HOLDERS OF THE FUND ARE URGED TO READ THE JOINT PROXY STATEMENT/PROSPECTUS AND OTHER DOCUMENTS TO BE FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THESE DOCUMENTS WILL CONTAIN IMPORTANT INFORMATION ABOUT THE REORGANIZATIONS AND OTHER PROPOSALS TO BE CONSIDERED AT THE SPECIAL MEETING. INVESTORS SHOULD CONSIDER THE INVESTMENT OBJECTIVES, RISKS AND EXPENSES OF THE SURVIVING FUND CAREFULLY. THE JOINT PROXY STATEMENT/PROSPECTUS WILL CONTAIN INFORMATION WITH RESPECT TO THE INVESTMENT OBJECTIVES, RISKS AND EXPENSES OF THE FUNDS AND OTHER IMPORTANT INFORMATION ABOUT THE FUNDS.

The Joint Proxy Statement/Prospectus will not constitute an offer to sell securities, nor will it constitute a solicitation of an offer to buy securities, in any state where such offer or sale is not permitted.

Security holders may obtain free copies of the Joint Proxy Statement/Prospectus and other documents (when they become available) filed with the SEC at the SEC's web site at www.sec.gov. In addition, free copies of the Joint Proxy Statement/Prospectus and other documents filed with the SEC may also be obtained after effectiveness of the Registration Statement by calling (877) 561-7914.

Note to Stockholders on Investments in Hedge Funds: The Fund’s investment advisers feel it is important that stockholders be aware that the Fund has highly concentrated positions in certain hedge funds and may take concentrated positions in other securities. Concentrating investments in a fewer number of securities (including investments in hedge funds) may involve a degree of risk that is greater than a fund that has less concentrated investments spread out over a greater number of securities. For example, the value of the Fund’s net assets will fluctuate significantly based on the fluctuation in the value of the hedge funds in which it invests. In addition, investments in hedge funds can be highly volatile and may subject investors to heightened risk and higher operating expenses than another closed-end fund with a different investment focus.

Note to Stockholders on the Fund’s Discount. As most stockholders are aware, the Fund’s shares presently trade at a significant discount to net asset value. The Fund’s board of directors is aware of this, monitors the discount and periodically reviews the options available to mitigate the discount. In addition, there are several factors affecting the Fund’s discount over which the board and management have little control. In the end, the market sets the Fund’s share price. For long-term stockholders of a closed-end fund, we believe the Fund’s discount should only be one of many factors taken into consideration at the time of your investment decision.

Note to Stockholders on the Fund’s Use of Leverage. The Fund has the ability to leverage through a credit facility. The Fund may utilize leverage to seek to enhance the returns for its stockholders over the long term; however, this objective may not be achieved in all interest rate and investment environments. Leverage creates certain risks for stockholders, including the likelihood of greater volatility of the Fund’s NAV and market price. In the event the Fund utilizes leverage there are other risks associated with borrowing through a line of credit, including, but not limited to risks associated with purchasing securities on margin. In addition, borrowing would increase costs to the Fund, subject the Fund to contractual restrictions on its operations and require the Fund to maintain certain asset coverage ratios on any outstanding indebtedness.