

FOR IMMEDIATE RELEASE

EAGLE CAPITAL GROWTH FUND DECLARES YEAR-END ANNUAL CASH DIVIDEND; FUND SECURES 4-STAR MORNINGSTAR RANKING

Milwaukee, Wisconsin (December 2, 2010)---The Eagle Capital Growth Fund, Inc. ("Fund") (NYSE Amex: GRF) today declared a year-end annual cash dividend of \$0.28 per share. The record date for this dividend is December 17, 2010, and the payment date is December 29, 2010.

On a preliminary basis, this dividend represents a combination of net investment income of \$0.0757 per share, and short-term capital gains of \$0.2043 per share. The net investment income is derived entirely from "qualified" dividends for U.S. Federal income tax purposes. This tax information is subject to change. Shareholders will receive definitive information with respect to U.S. Federal income tax treatment in the ordinary course. In addition, shareholders can access definitive tax information by going to the Fund's website after year-end.

Morningstar, Inc., an authority on mutual funds, recently awarded the Fund a 4-star rating, an increase from the Fund's prior 3-star rating, based upon the Fund's superior investment performance*. Morningstar ranks mutual funds on a scale from 1-5 stars, with 5 being the highest. When Sims Capital Management LLC began managing the Eagle Capital Growth Fund in 2007, the Fund held a 2-star Morningstar rating.

Luke E. Sims, the Fund's President and Chief Executive Officer (and, along with David C. Sims, a portfolio manager at Sims Capital for the Fund), cheered the Morningstar decision. "We've worked diligently over the past three years to improve the Fund's investment performance, and are happy to see that our success on that front is being recognized by Morningstar. We will continue to strive for superior investment performance, with a goal of achieving a 5-star Morningstar rating."

The Fund is a closed-end investment company that invests primarily in high quality growth companies. For more information about the Fund, please go to the Fund's website: www.eaglecapitalgrowthfund.com

For additional information, please contact David C. Sims, the Fund's Chief Financial Officer and Chief Compliance Officer, at (414) 765-1107, or by e-mail to: dave@simscapital.com

*** Past performance does not guarantee future results. Performance represents past performance; current performance may be lower or higher. The investment return and principal value will fluctuate so that an investment, in the future, may be worth more or less than the original cost.**

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