



BLUECHIPVALUEFUND

1225 Seventeenth Street, 26th Floor
Denver, Colorado 80202 (800) 624-4190

July 27, 2007

Dear Stockholder:

We recently discovered an error in Blue Chip Value Fund, Inc.'s First Quarter Report to Stockholders dated March 31, 2007. The 5-year average annual net asset value total return should have been presented as 6.01% instead of the originally reported 6.85%. All other performance information was presented correctly. The entire chart with the correction highlighted is included below for your reference.

Average Annual Total Returns as of March 31, 2007					
Return	3 Mos.	1-Year	3-Year	5-Year	10-Year
Blue Chip Value Fund – NAV	(0.35%)	6.79%	9.93%	6.01%	7.69%
Blue Chip Value Fund – Market Price	1.51%	16.49%	7.95%	6.94%	9.10%
S&P 500 Index	0.64%	11.83%	10.05%	6.27%	8.21%

Past performance is no guarantee of future results. Share prices will fluctuate, so that a share may be worth more or less than its original cost when sold. Total investment return is calculated assuming a purchase of common stock on the opening of the first day and a sale on the closing of the last day of each period reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Fund's dividend reinvestment plan. Rights offerings, if any, are assumed for purposes of this calculation to be fully subscribed under the terms of the rights offering. Please note that the Fund's total return shown above does not reflect the deduction of taxes that a stockholder would pay on Fund distributions or the sale of Fund shares. Current performance may be higher or lower than the total return shown above. Please visit our website at www.blu.com to obtain the most recent month end returns. Generally, total investment return based on net asset value will be higher than total investment return based on market value in periods where there is an increase in the discount or a decrease in the premium of the market value to the net asset value from the beginning to the end of such periods. Conversely, total investment return based on the net asset value will be lower than total investment return based on market value in periods where there is a decrease in the discount or an increase in the premium of the market value to the net asset value from the beginning to the end of such periods.

We sincerely apologize for any inconvenience this error may have caused. All costs associated with communicating this error have been paid by Denver Investment Advisors LLC, the investment adviser to the Fund. If you have further questions you may contact us toll free at (800) 624-4190.

Sincerely,

Todger Anderson
President



BLUECHIP VALUE FUND

**First Quarter Report
to Stockholders**

March 31, 2007

The Investment Adviser's Commentary included in this report contains certain forward-looking statements about the factors that may affect the performance of the Fund in the future. These statements are based on Fund management's predictions and expectations concerning certain future events and their expected impact on the Fund, such as performance of the economy as a whole and of specific industry sectors, changes in the levels of interest rates, the impact of developing world events, and other factors that may influence the future performance of the Fund. Management believes these forward-looking statements to be reasonable, although they are inherently uncertain and difficult to predict. Actual events may cause adjustments in portfolio management strategies from those currently expected to be employed.

INVESTMENT ADVISER'S COMMENTARY

Dear Fellow Stockholders:

The first quarter of 2007 was dominated by headlines related to companies exposed to sub-prime mortgage activity and concern over the health of the housing market overall. Against this backdrop, the market posted strong returns in January, but February saw a retreat that extended into early March. A late March rally left the S&P 500 up 0.64% for the quarter. The Fund's quarterly return of -0.35% lagged the S&P 500 benchmark.

The Fund was impacted by companies with modest exposure to sub-prime mortgages. Countrywide Financial, one of the largest national mortgage brokers, and Washington Mutual, a large thrift, are the most notable. Both these companies have powerful, national franchises and sell at meaningful discounts to our estimated value of their business. However, at both of these companies, sub-prime mortgages may have a noticeable impact on fundamentals in the very short-term. While we expect some disruption to earnings over the next few quarters, we do not expect it to impair the longer-term value of these franchises.

It appears that investors also were concerned that investment banks would experience a significant decrease in earnings given their involvement in the capital market issuance and trading of sub-prime mortgage-backed securities. In fact, the brokers we own—Morgan Stanley and Merrill Lynch—have to date reported a continuation of very strong results and a strong outlook for the balance of the year. They have not indicated any significant losses. All reported indications are that their hedging strategies were effective. Given this outlook, we remain overweight in financial services companies given their attractive valuations, coupled with dividend yields above 2.5% and defensive characteristics for the portfolio in certain market environments.

Our focus remains on watching for the expected seasonal pickup in housing sales as the spring and summer buying season unfolds. We anticipate that the likelihood of the Federal Reserve Bank cutting rates modestly at some point in the next year and/or the yield curve normalizing should provide sufficient impetus to allow financials to continue to grow cash flows.

The portfolio exposures to Healthcare and Energy stocks added the most return during the first quarter. Teva

Pharmaceutical Industries, a branded and generic pharmaceutical manufacturer, performed well during the quarter as the company produced stronger than expected branded pharmaceutical sales. International generic pharmaceutical sales and profitability were also better than expected, leading to positive cash flow surprises. Abbott, a pharmaceutical and medical products manufacturer, had another strong quarter. Abbott's strength was two-fold. First, the company continues to receive approval for the use of their leading drug Humira in other therapeutic areas. Secondly, a large and pivotal trial for their second-generation drug-eluting stent, Xience, showed marked improvements in safety and efficacy. Both of these events suggest to us greater free cash generation with longer duration. The market has partially rewarded this improvement. We continue to see evidence of good cash flow growth and reasonable valuations supporting our overweight in healthcare.

In energy, XTO Energy, an exploration and production company was a beneficiary of improving commodity prices, and continues to execute on their low-cost development strategy, earning good returns on capital. We believe this strategy will continue to create long-term value for shareholders. Marathon Oil, an integrated exploration and production company with refining and marketing operations, has also benefited from improved commodity prices. However, the greater impact for Marathon in the quarter came from the unusually large seasonal expansion of refining margins. In our opinion their oil and gas reserves continue to be underappreciated by the market, and we believe the company will deliver stronger than expected results over the next 3-5 years.

Our largest new position in the portfolio during the first quarter was the addition of Qualcomm Inc., a digital wireless products and technology company. We believe Qualcomm benefits from strengthening global demand for broadband wireless devices (video, pictures and data) which should lead

to increased benefits as the next generation technology rolls out. Our purchase opportunity resulted when ongoing negotiations and debate over Qualcomm's pricing for its newer technology resulted in stock price weakness. Given the critical nature of this technology to deliver a customer experience, we believe that the company should sustain its competitive advantage and strong free cash flows.

With the market trending lower for most of the quarter, leverage provided a modest headwind to overall performance. Over the course of the quarter, we used the sell-off to add to leverage and add or increase positions.

We remain optimistic about large-cap equities for 2007 and the positioning of the portfolio. We believe that the 'bumps in the road' during the first quarter arising from the sub-prime challenges will prove transitory and have limited impact on the broader market.

A handwritten signature in blue ink that reads "Todger Anderson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Todger Anderson, CFA
President, Blue Chip Value Fund, Inc.
Chairman, Denver Investment Advisors LLC

**Sector Diversification in Comparison to
S&P 500 as of March 31, 2007***

	Fund	S&P 500
Basic Materials	0.0%	2.7%
Capital Goods	11.1%	8.7%
Commercial Services	3.7%	2.4%
Communications	6.0%	7.4%
Consumer Cyclical	9.8%	12.6%
Consumer Staples	6.8%	8.9%
Energy	8.7%	9.7%
Financials	24.8%	19.6%
Medical/Healthcare	16.4%	11.2%
REITs	0.0%	1.3%
Technology	9.9%	9.9%
Transportation	2.6%	1.7%
Utilities	0.0%	3.9%
Short-Term Investments	0.2%	0.0%

**Sector diversification percentages are based on the Fund's total investments at market value. Sector diversification is subject to change and may not be representative of future investments.*

**Average Annual Total Returns
as of March 31, 2007**

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Blue Chip Value Fund – NAV	(0.35%)	6.79%	9.93%	6.85%	7.69%
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MANAGED DISTRIBUTION POLICY

The Blue Chip Value Fund, Inc. (the “Fund”) has a Managed Distribution Policy. This policy is to make quarterly distributions of at least 2.5% of the Fund’s net asset value to stockholders. This is the quarterly payment that Fund investors elect to receive in cash or reinvest in additional shares through the Fund’s Dividend Reinvestment Plan. The Board of Directors believes this policy creates a predictable level of quarterly cash flow to Fund shareholders. You should not draw any conclusions about the Fund’s investment performance from the amount of this distribution. Please see the Fund’s performance information on Page 6 of this report. The Fund’s Managed Distribution Policy may be changed at the discretion of the Fund’s Board of Directors, however at this time, the Board has no intention of making any changes.

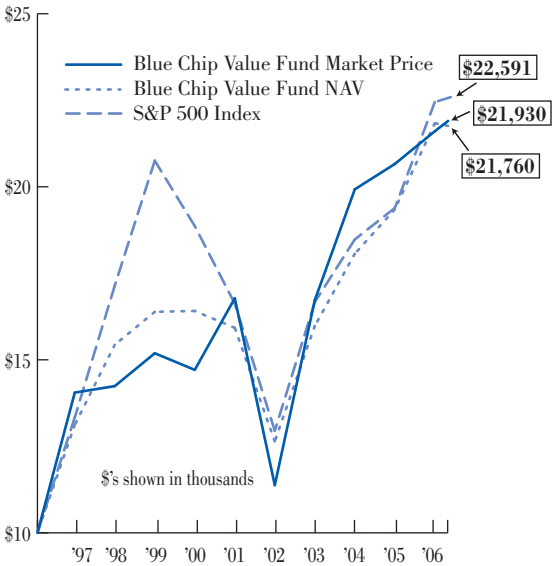
The Fund’s performance is measured by its total return. The source of the Fund’s total return is from income and net realized and unrealized gains and losses. The Fund realizes a capital gain or loss when it sells a security from its portfolio. If the Fund distributes more than its income and net realized capital gains, a portion of your distribution is a return of capital. When this happens, the Fund is giving you back money that you invested in the Fund. This portion of the distribution is not normally subject to income taxes. It is important to note that the Fund’s investment adviser, Denver Investment Advisors LLC, seeks to minimize the amount of net realized capital gains, if consistent with the Fund’s investment objective, to reduce the amount of income taxes incurred by our stockholders. This strategy can lead to greater levels of return of capital being paid out under the Managed Distribution Policy.

Thus, the 2.5% quarterly distribution percentage does not reflect the Fund's investment performance and should not be confused with "yield," "income" or "return" of the Fund.

The graph on Page 9 represents the cumulative value of a \$10,000 investment in the Fund since 1997 through March 31, 2007 assuming reinvestment of all cash distributions through the Fund's Dividend Reinvestment Plan and full participation in "rights offerings." Stockholders who do not reinvest cash distributions in the Fund have a different rate of return on their investment than is shown in the graph on Page 9. Also, these stockholders reduce their investment in the Fund by the amount of any return of capital. By contrast, stockholders who elect to reinvest their distributions receive additional Fund shares.

At the Fund level, the payment of return of capital can lead to the Fund having lower total assets if the total return earned by the Fund is less than the cash distribution. Similarly, the Fund's net asset value per share will decline if the total return of the Fund's net asset value is less than the cash distribution payout level over the same period. This scenario has occurred as depicted in the graph on Page 10.

Comparison of Change in Value of \$10,000 Investment in Blue Chip Value Fund versus the S&P 500 Index

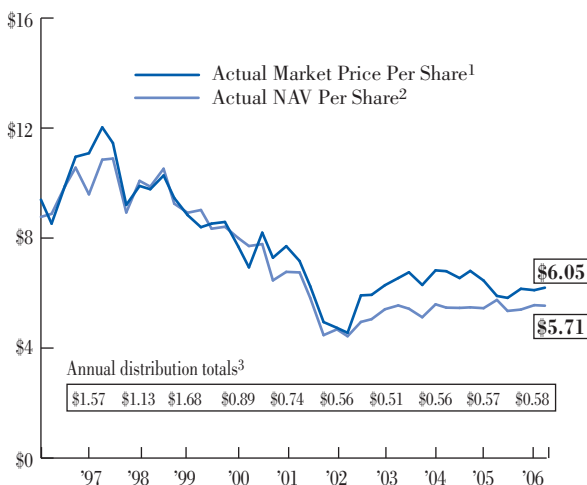


Please Note: Performance calculations are as of the end of December each year. Past performance is not indicative of future results. This chart assumes an investment of \$10,000 on 1/1/97. This chart does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

S&P 500 Index is a broad-based measurement of changes in stock market conditions based on the average performance of 500 widely held common stocks. It is an unmanaged index.

Please see Average Annual Total Return information on page 6.

Performance History of Market Price and Net Asset Value January 1, 1997 through March 31, 2007



Please Note: line graph points are as of the end of each calendar quarter.

Past performance is no guarantee of future results. Share prices will fluctuate, so that a share may be worth more or less than its original cost when sold.

¹Reflects the actual market price of one share as it has traded on the NYSE.

²Reflects the actual NAV of one share.

³The graph above includes the annual distribution totals over the past ten years, which equals \$8.79 per share. During the quarter ended March 31, 2007 no distributions were paid. The NAV Per Share is reduced by the amount of the distribution on the ex-dividend date. The sources of these distributions are as follows:

Year	Net Investment Income	Capital Gains	Return of Capital	Total Amount of Distribution
1997	\$0.1000	\$1.4700	\$0.0000	\$1.57
1998	\$0.0541	\$1.0759	\$0.0000	\$1.13
1999	\$0.0335	\$1.6465	\$0.0000	\$1.68
2000	\$0.0530	\$0.8370	\$0.0000	\$0.89
2001	\$0.0412	\$0.3625	\$0.3363	\$0.74
2002	\$0.0351	\$0.0000	\$0.5249	\$0.56
2003	\$0.0136	\$0.0000	\$0.4964	\$0.51
2004	\$0.0283	\$0.5317	\$0.0000	\$0.56
2005	\$0.0150	\$0.1128	\$0.4422	\$0.57
2006	\$0.0182	\$0.1260	\$0.4358	\$0.58
Totals	\$0.3920	\$6.1624	\$2.2356	\$8.79
% of Total Distribution	4.46%	70.11%	25.43%	100.00%

DIVIDEND REINVESTMENT AND CASH PURCHASE PLAN

The Fund's Dividend Reinvestment and Cash Purchase Plan offers stockholders the opportunity to reinvest dividends and capital gain distributions in additional shares of the Fund. A stockholder may also make additional cash investments under the Plan. There is no service charge for participation.

Participating stockholders will receive additional shares issued at a price equal to the net asset value per share as of the close of the New York Stock Exchange on the record date ("Net Asset Value"), unless at such time the Net Asset Value is higher than the market price of the Fund's common stock, plus brokerage commission. In this case, the Fund will attempt, generally over the next 10 business days (the "Trading Period"), to acquire shares of the Fund's common stock in the open market at a price plus brokerage commission which is less than the Net Asset Value. In the event that prior to the time such acquisition is completed, the market price of such common stock plus commission equals or exceeds the Net Asset Value, or in the event that such market purchases are unable to be completed by the end of the Trading Period, then the balance of the distribution shall be completed by issuing additional shares at Net Asset Value.

Participating stockholders may also make additional cash investments (minimum \$50 and maximum \$10,000 per month) by check or money order (or by wire for a \$10 fee) to acquire additional shares of the Fund. Please note, however, that these additional shares will be purchased at market value plus brokerage commission (without regard to net asset value) per share.

A stockholder owning a minimum of 50 shares may join the Plan by sending an Enrollment Form to the Plan Agent at Mellon Investor Services, LLC, 480 Washington Blvd., Jersey City, NJ 07310.

The automatic reinvestment of dividends and distributions will not relieve participants of any income taxes that may be payable (or required to be withheld) on dividends or distributions, even though the stockholder does not receive the cash. Participants must own at least 50 shares at all times.

A stockholder may elect to withdraw from the Plan at any time on 15-days' prior written notice, and receive future dividends and distributions in cash. There is no penalty for withdrawal from the Plan and stockholders who have withdrawn from the Plan may rejoin in the future.

The Fund may amend the Plan at any time upon 30-days prior notice to participants.

Additional information about the Plan may be obtained from Blue Chip Value Fund, Inc. by writing to 1225 17th Street, 26th Floor, Denver, CO 80202, by telephone at (800) 624-4190 or by visiting us at www.blu.com.

If your shares are registered with a broker, you may still be able to participate in the Fund's Dividend Reinvestment Plan. Please contact your broker about how to participate and to inquire if there are any fees which may be charged by the broker to your account.

HOW TO OBTAIN A COPY OF THE FUND'S PROXY VOTING POLICIES AND RECORDS

A description of the policies and procedures that are used by the Fund's investment adviser to vote proxies relating to the Fund's portfolio securities is available (1) without charge, upon request, by calling (800) 624-4190; (2) on the Fund's website at www.blu.com and (3) on the Fund's Form N-CSR which is available on the U.S. Securities and Exchange Commission ("SEC") website at www.sec.gov.

Information regarding how the Fund's investment adviser voted proxies relating to the Fund's portfolio securities during the most recent 12-month period ended June 30 is available, (1) without charge, upon request by calling (800) 624-4190; (2) on the Fund's website at www.blu.com and (3) on the SEC website at www.sec.gov.

QUARTERLY PORTFOLIO HOLDINGS

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at <http://www.sec.gov> and may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. In addition, the Fund's complete schedule of portfolio holdings for the first and third quarters of each fiscal year is available on the Fund's website at www.blu.com.

SEND US YOUR E-MAIL ADDRESS

If you would like to receive monthly portfolio composition and characteristic updates, press releases and financial reports electronically as soon as they are available, please send an e-mail to blu@denveria.com and include your name and e-mail address. You will still receive paper copies of any required communications and reports in the mail. This service is completely voluntary and you can cancel at any time by contacting us via e-mail at blu@denveria.com or toll-free at 1-800-624-4190.

NEWS RELEASE

Date: Monday, April 2, 2007

BLUE CHIP VALUE FUND DECLARES FIRST QUARTER DISTRIBUTION

DENVER, CO. (April 2, 2007) The Directors of Blue Chip Value Fund, Inc. have declared a distribution of \$0.14 per share. This distribution is payable April 27, 2007, to stockholders of record on April 13, 2007, and will have an ex-dividend date of April 11, 2007. The Fund's Managed Distribution Policy includes a quarterly distribution equal to 2.5% of its Net Asset Value, rounded to the nearest penny. You should not draw any conclusion about the Fund's investment performance from the amount of this distribution or from the terms of the Fund's Managed Distribution Policy.

Of the total distribution, approximately \$0.0040 represents net investment income for the first quarter and the remaining undesignated portion is paid from capital surplus. If the Fund's total distributions for the year exceed its net investment income and net realized capital gains for the year, all or a portion of the undesignated distributions may constitute a non-taxable return of capital. A return of capital distribution would not necessarily reflect the Fund's investment performance and should not be confused with "yield" or "income." As of March 31, 2007, the undesignated portion of the distribution would include approximately 42.65% from net realized capital gains and 57.35% from paid in capital.

The amounts and sources of distributions reported in this press release are only estimates and are not being provided for tax reporting purposes. The actual amounts and sources of the amounts for tax reporting purposes will depend upon the Fund's investment experience during the remainder of the year and may be subject to changes based on tax regulations.

As of March 30, 2007, the Fund's N.A.V. was \$5.71 and the stock closed at \$6.05, a premium of 5.9545%.

STATEMENT OF INVESTMENTS

March 31, 2007 (Unaudited)

	<u>Shares</u>	<u>Cost</u>	<u>Market Value</u>
COMMON STOCKS – 106.81%			
CAPITAL GOODS – 11.93%			
Aerospace & Defense – 4.66%			
General Dynamics Corp.	54,300	\$ 2,889,696	\$ 4,148,520
Raytheon Co.	63,500	2,386,783	3,331,210
		<u>5,276,479</u>	<u>7,479,730</u>
Electrical Equipment – 2.01%			
General Electric Co.	91,400	3,275,765	3,231,904
Farm Equipment – 1.49%			
CNH Global N.V.	64,200	2,491,878	2,394,018
Industrial Products – 3.77%			
ITT Corp.	35,300	1,805,258	2,129,296
Parker Hannifin Corp.	45,500	3,216,607	3,927,105
		<u>5,021,865</u>	<u>6,056,401</u>
TOTAL CAPITAL GOODS		<u>16,065,987</u>	<u>19,162,053</u>
COMMERCIAL SERVICES – 3.91%			
IT Services – 1.08%			
Computer			
Sciences Corp.**	33,350	1,572,456	1,738,535
Transaction Processing – 2.83%			
First Data Corp.	92,900	2,043,511	2,499,010
The Western Union Co.	92,900	1,712,279	2,039,155
		<u>3,755,790</u>	<u>4,538,165</u>
TOTAL COMMERCIAL SERVICES		<u>5,328,246</u>	<u>6,276,700</u>
COMMUNICATIONS – 6.47%			
Networking – 2.54%			
Cisco Systems Inc.**	159,700	4,000,220	4,077,141
Telecomm Equipment & Solutions – 3.93%			
Nokia Corp.** (ADR)	119,700	1,920,063	2,743,524
QUALCOMM Inc.	83,900	3,552,125	3,579,174
		<u>5,472,188</u>	<u>6,322,698</u>
TOTAL COMMUNICATIONS		<u>9,472,408</u>	<u>10,399,839</u>
CONSUMER CYCLICAL – 10.44%			
Clothing & Accessories – 2.66%			
TJX Companies Inc.	158,600	3,759,240	4,275,856
Department Stores – 1.44%			
J.C. Penney Co. Inc.	28,200	1,637,670	2,316,912
Hotels & Gaming – 2.25%			
Starwood Hotels &			
Resorts Worldwide Inc.	55,700	2,165,453	3,612,145
Publishing & Media – 2.15%			
Walt Disney Co.	100,500	2,549,316	3,460,215

	<u>Shares</u>	<u>Cost</u>	<u>Market Value</u>
Restaurants – 1.94%			
Darden Restaurants Inc.	75,540	\$ 1,982,868	\$ 3,111,493
TOTAL CONSUMER CYCLICAL		12,094,547	16,776,621
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CONSUMER STAPLES – 7.22%			
Consumer Products – 2.98%			
Colgate-Palmolive Co.	71,800	4,090,497	4,795,522
Food & Agricultural Products – 4.24%			
Bunge Ltd.	60,500	2,758,347	4,974,310
Campbell Soup Co.	47,100	<u>1,444,781</u>	<u>1,834,545</u>
		4,203,128	6,808,855
TOTAL CONSUMER STAPLES		8,293,625	11,604,377
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ENERGY – 9.32%			
Exploration & Production – 4.74%			
Occidental Petroleum Corp.	79,700	2,388,264	3,930,007
XTO Energy Inc.	67,200	<u>2,133,990</u>	<u>3,683,232</u>
		4,522,254	7,613,239
Integrated Oils – 2.32%			
Marathon Oil Corp.	37,700	1,657,053	3,725,891
Oil Services – 2.26%			
Transocean Inc.**	44,400	1,699,961	3,627,480
TOTAL ENERGY		7,879,268	14,966,610
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INTEREST RATE SENSITIVE – 26.58%			
Integrated Financial Services – 3.01%			
Citigroup Inc.	94,100	4,215,956	4,831,094
Money Center Banks – 1.76%			
Bank of America Corp.	55,500	2,608,684	2,831,610
Property Casualty Insurance – 8.05%			
ACE Ltd.	70,700	3,914,274	4,034,142
American International Group Inc.	67,800	4,364,008	4,557,516
MBIA Inc.	40,100	2,364,032	2,626,149
MGIC Investment Corp.	29,200	<u>1,704,892</u>	<u>1,720,464</u>
		12,347,206	12,938,271
Regional Banks – 3.98%			
The Bank of New York Co. Inc.	42,800	1,512,282	1,735,540
SunTrust Banks Inc.	19,800	1,523,951	1,644,192
Wachovia Corp.	54,600	<u>2,810,094</u>	<u>3,005,730</u>
		5,846,327	6,385,462
Securities & Asset Management – 5.41%			
Merrill Lynch & Company Inc.	46,200	2,929,980	3,773,154
Morgan Stanley & Co.	40,400	2,202,335	3,181,904
State Street Corp.	26,700	<u>1,737,516</u>	<u>1,728,825</u>
		6,869,831	8,683,883

	<u>Shares</u>	<u>Cost</u>	<u>Market Value</u>
Specialty Finance – 2.74%			
Countrywide			
Financial Corp.	56,900	\$ 1,979,283	\$ 1,914,116
Freddie Mac	41,700	<u>2,663,933</u>	<u>2,480,733</u>
		4,643,216	4,394,849
Thrifts – 1.63%			
Washington Mutual Inc.	65,000	2,585,243	2,624,700
TOTAL INTEREST RATE SENSITIVE			
		39,116,463	42,689,869
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MEDICAL - HEALTHCARE – 17.58%			
Medical Technology – 5.96%			
Medtronic Inc.	96,500	4,752,346	4,734,290
Zimmer Holdings Inc.**	56,700	<u>3,892,049</u>	<u>4,842,747</u>
		8,644,395	9,577,037
Pharmaceuticals – 11.62%			
Abbott Laboratories	126,200	5,377,135	7,041,960
Amgen Inc.**	67,200	3,960,607	3,755,136
Barr Pharmaceuticals Inc.**	33,500	1,556,294	1,552,725
Teva Pharmaceutical Industries Ltd. (ADR)	168,800	<u>4,578,345</u>	<u>6,318,184</u>
		15,472,381	18,668,005
TOTAL MEDICAL - HEALTHCARE		24,116,776	28,245,042
<hr/>			
TECHNOLOGY – 10.56%			
Computer Software – 3.62%			
Microsoft Corp.	122,900	3,268,719	3,425,223
VeriSign Inc.**	94,800	<u>2,161,432</u>	<u>2,381,376</u>
		5,430,151	5,806,599
PC's & Servers – 2.92%			
International Business Machines Corp.	49,800	4,015,749	4,694,148
Semiconductors – 4.02%			
Altera Corp.**	147,000	2,832,663	2,938,530
Intel Corp.	184,200	<u>3,621,541</u>	<u>3,523,746</u>
		6,454,204	6,462,276
TOTAL TECHNOLOGY		15,900,104	16,963,023
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TRANSPORTATION – 2.80%			
Railroads – 2.80%			
Norfolk Southern Corp.	88,800	3,191,056	4,493,280
TOTAL TRANSPORTATION		3,191,056	4,493,280
TOTAL COMMON STOCKS		141,458,480	171,577,414

	<u>Shares</u>	<u>Cost</u>	<u>Market Value</u>
SHORT TERM INVESTMENTS – 0.18%			
Goldman Sachs Financial Square Prime Obligations Fund - FST Shares*	296,660	\$ 296,660	\$ 296,660
TOTAL SHORT TERM INVESTMENTS		<u>296,660</u>	<u>296,660</u>
TOTAL INVESTMENTS	106.99%	\$ 141,755,140	\$ 171,874,074
Liabilities in Excess of Other Assets	<u>(6.99%)</u>		<u>(11,233,779)</u>
NET ASSETS	<u>100.00%</u>		<u>\$160,640,295</u>

** *Non Income Producing Security.*

ADR – American Depositary Receipt.

See accompanying notes to financial statements.

COUNTRY BREAKDOWN

As of March 31, 2007 (Unaudited)

Country	Market Value	%
United States	\$ 156,087,546	97.17%
Israel	6,318,184	3.93%
Bermuda	4,034,142	2.51%
Finland	2,743,524	1.71%
Netherlands	2,394,018	1.49%
Cash and Cash equivalents	296,660	0.18%
Liabilities in Excess of other Assets	<u>(11,233,779)</u>	<u>(6.99%)</u>
Net Assets	\$ 160,640,295	100.00%

Please note the country classification is based on the company headquarters. All of the Fund's investments are traded on U.S. exchanges.

STATEMENT OF ASSETS AND LIABILITIES

March 31, 2007 (Unaudited)

ASSETS

Investments at market value	\$ 171,874,074
(identified cost \$141,755,140)	
Dividends receivable	112,028
Interest receivable	904
Other assets	28,877
TOTAL ASSETS	<u>172,015,883</u>

LIABILITIES

Loan payable to bank (Note 4)	11,150,000
Interest due on loan payable to bank	52,590
Advisory fee payable	80,151
Administration fee payable	9,747
Accrued Compliance Officer fees	2,208
Accrued expenses and other liabilities	80,892
TOTAL LIABILITIES	<u>11,375,588</u>

NET ASSETS	<u><u>\$ 160,640,295</u></u>
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COMPOSITION OF NET ASSETS

Capital stock, at par	\$ 281,311
Paid-in-capital	129,266,664
Undistributed net investment income	113,063
Accumulated net realized gain	860,323
Net unrealized appreciation on investments	30,118,934
NET ASSETS	<u><u>\$ 160,640,295</u></u>

SHARES OF COMMON STOCK

OUTSTANDING (100,000,000 shares authorized at \$0.01 par value)	<u><u>28,131,134</u></u>
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Net asset value per share	<u><u>\$ 5.71</u></u>
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See accompanying notes to financial statements.

STATEMENT OF OPERATIONS

For the Period Ended March 31, 2007 (Unaudited)

INCOME

Dividends (net of foreign withholding taxes of \$2,529)	\$ 603,102	
Interest	<u>5,742</u>	
TOTAL INCOME		<u>\$ 608,844</u>

EXPENSES

Investment advisory fee (Note 3)	234,243	
Administrative services fee (Note 3)	25,215	
Interest on outstanding loan payable to bank	135,537	
Legal fees	18,446	
Stockholder reporting	25,115	
Directors' fees	17,385	
Transfer agent fees	14,258	
NYSE listing fees	6,530	
Audit and tax preparation fees	6,667	
Chief Compliance Officer fees	5,125	
Insurance and fidelity bond	3,656	
Custodian fees	2,340	
Other	<u>1,264</u>	
TOTAL EXPENSES		<u>495,781</u>
NET INVESTMENT INCOME		<u>113,063</u>

REALIZED AND UNREALIZED GAIN/(LOSS) ON INVESTMENTS

Net realized gain on investments	1,631,713	
Change in net unrealized appreciation/ depreciation of investments	<u>(2,392,579)</u>	
NET LOSS ON INVESTMENTS		<u>(760,866)</u>
NET DECREASE IN NET ASSETS RESULTING FROM OPERATIONS		<u>\$ (647,803)</u>

See accompanying notes to financial statements.

STATEMENTS OF CHANGES IN NET ASSETS

	For the Period Ended March 31, 2007*	For the Year Ended December 31, 2006
Increase/(decrease) in net assets		
from operations:		
Net investment income	\$ 113,063	\$ 511,118
Net realized gain from securities transactions	1,631,713	4,058,061
Change in net unrealized appreciation/depreciation of investments	<u>(2,392,579)</u>	<u>14,782,873</u>
	<u>(647,803)</u>	<u>19,352,052</u>
Decrease in net assets		
from distributions to stockholders from:		
Net investment income	—	(511,118)
Net realized gain on investments	—	(3,514,240)
Return of capital	<u>—</u>	<u>(12,139,609)</u>
	<u>—</u>	<u>(16,164,967)</u>
Increase in net assets from common stock transactions:		
Net asset value of common stock issued to stockholders from reinvestment of dividends (109,030 and 398,849 shares issued, respectively)	<u>624,742</u>	<u>2,267,911</u>
	<u>624,742</u>	<u>2,267,911</u>
NET INCREASE/(DECREASE) IN NET ASSETS	(23,061)	5,454,996
NET ASSETS		
Beginning of year	<u>160,663,356</u>	<u>155,208,360</u>
End of year (including undistributed net investment income of \$113,063 and \$0, respectively)	<u>\$ 160,640,295</u>	<u>\$ 160,663,356</u>

*Unaudited.

See accompanying notes to financial statements.

STATEMENT OF CASH FLOWS

For the Period Ended March 31, 2007 (Unaudited)

Cash Flows from Operating Activities

Net increase in net assets from operations	\$ (647,803)
Adjustments to reconcile net increase in net assets from operations to net cash provided by operating activities:	
Purchase of investment securities	(15,997,633)
Proceeds from disposition of investment securities	16,482,990
Net proceeds from disposition of short-term investment securities	10,500
Proceeds from class-action litigation settlements	850
Net realized gain from securities investments	(1,631,713)
Net change in unrealized appreciation on investments	2,392,579
Decrease in dividends and interest receivable	105,289
Increase in other assets	(18,062)
Decrease in advisory fee payable	(3,979)
Decrease in administrative fee payable	(365)
Decrease in accrued Compliance Officer fees	(3,042)
Increase in other accrued expenses and payables	<u>18,963</u>
Net cash provided by operating activities	708,574

Cash Flows from Financing Activities

Proceeds from bank borrowing	7,870,000
Repayment of bank borrowing	(5,000,000)
Cash distributions paid	<u>(3,578,574)</u>
Net cash used in financing activities	(708,574)

Net increase in cash	0
Cash, beginning balance	0
Cash, ending balance	0

Supplemental disclosure of cash flow information:

Noncash financing activities not included herein consist of reinvestment of dividends and distributions of \$624,742.

See accompanying notes to financial statements.

FINANCIAL HIGHLIGHTS

	For the Period Ended March 31, 2007⁽¹⁾
Per Share Data	
(for a share outstanding throughout each period)	
Net asset value – beginning of period	\$ 5.73
Investment operations⁽²⁾	
Net investment income	— ⁽³⁾
Net gain (loss) on investments	(0.02)
Total from investment operations	(0.02)
Distributions	
From net investment income	—
From net realized gains on investments	—
Return of capital	—
Total distributions	— ⁽³⁾
Capital Share Transactions	
Dilutive effects of rights offerings	—
Offering costs charged to paid in capital	—
Total capital share transactions	—
Net asset value, end of period	\$ 5.71
Per share market value, end of period	\$ 6.05
Total investment return⁽⁴⁾ based on:	
Market Value	1.5% ⁽⁵⁾
Net Asset Value	(0.4%) ⁽⁵⁾
Ratios/Supplemental data:	
Ratio of total expenses to average net assets ⁽⁶⁾	1.24%*
Ratio of net investment income to average net assets	0.28%*
Ratio of total distributions to average net assets	0.00%* ⁽³⁾
Portfolio turnover rate ⁽⁷⁾	9.35%
Net assets – end of period (in thousands)	\$160,640

See accompanying notes to financial statements.

*Annualized.

⁽¹⁾Unaudited.

⁽²⁾Per share amounts calculated based on average shares outstanding during the period.

⁽³⁾Due to the timing of quarterly ex-distribution dates, no quarterly distribution was recorded during the period ended March 31, 2007. Please see Note 6 concerning details for the April 2007 distribution.

⁽⁴⁾Total investment return is calculated assuming a purchase of common stock on the opening periods where there is an increase in the discount or a decrease in the premium of the market value to distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Fund's dividend reinvestment plan. Rights offerings, if any, are assumed for purposes of this calculation to be fully subscribed under the terms of the rights offering. Please note that the Fund's total investment return does not reflect the deduction of taxes that a stockholder would pay on Fund distributions or the sale of Fund shares. Generally, total investment return based on net asset value will be higher than total investment return based on market value in

For the year ended December 31,

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 5.62	\$ 5.76	\$ 5.58	\$ 4.85	\$ 6.94
0.02	0.01	0.03	0.01	0.04
0.67	0.42	0.71	1.23	(1.40)
<u>0.69</u>	<u>0.43</u>	<u>0.74</u>	<u>1.24</u>	<u>(1.36)</u>
(0.02)	(0.02)	(0.03)	(0.01)	(0.04)
(0.13)	(0.11)	(0.53)	—	—
<u>(0.43)</u>	<u>(0.44)</u>	<u>—</u>	<u>(0.50)</u>	<u>(0.52)</u>
<u>(0.58)</u>	<u>(0.57)</u>	<u>(0.56)</u>	<u>(0.51)</u>	<u>(0.56)</u>
—	—	—	—	(0.16)
—	—	—	—	(0.01)
—	—	—	—	(0.17)
<u>\$ 5.73</u>	<u>\$ 5.62</u>	<u>\$ 5.76</u>	<u>\$ 5.58</u>	<u>\$ 4.85</u>
<u>\$ 5.96</u>	<u>\$ 6.31</u>	<u>\$ 6.68</u>	<u>\$ 6.14</u>	<u>\$ 4.59</u>
4.6%	3.7%	19.2%	46.9%	(32.2%)
12.9%	7.1%	13.1%	26.4%	(20.6%)
1.36%	1.33%	1.12%	1.13%	0.93%
0.32%	0.21%	0.57%	0.27%	0.64%
10.25%	10.13%	10.16%	10.07%	10.15%
36.54%	40.96%	115.39%	52.58%	65.86%
\$160,663	\$155,208	\$156,903	\$150,057	\$128,713

periods where there is an increase in the discount or a decrease in the premium of the market value to the net asset value from the beginning to the end of such periods. Conversely, total investment return based on the net asset value will be lower than total investment return based on market value in periods where there is a decrease in the discount or an increase in the premium of the market value to the net asset value from the beginning to the end of such periods.

⁽⁵⁾Total returns for periods less than one year are not annualized.

⁽⁶⁾For the period ended March 31, 2007 and years ended December 31, 2006, 2005 and 2004, the ratio of total expenses to average net assets excluding interest expense was 0.90%, 0.92%, 0.97% and 0.99% respectively. For all prior years presented, the interest expense if any, was less than 0.01%.

⁽⁷⁾A portfolio turnover rate is the percentage computed by taking the lesser of purchases or sales of portfolio securities (excluding short-term investments) for a year and dividing it by the monthly average of the market value of the portfolio securities during the year. Purchases and sales of investment securities (excluding short-term securities) for the period ended March 31, 2007 were \$15,997,633 and \$16,482,990, respectively.

NOTES TO FINANCIAL STATEMENTS

March 31, 2007 (Unaudited)

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Blue Chip Value Fund, Inc. (the “Fund”) is registered under the Investment Company Act of 1940, as amended, as a diversified, closed-end management investment company.

The following is a summary of significant accounting policies followed by the Fund in the preparation of its financial statements.

Security Valuation – All securities of the Fund are valued as of the close of regular trading on the New York Stock Exchange (“NYSE”), currently 4:00 p.m. (Eastern Time), on each day that the NYSE is open. Listed securities are generally valued at the last sales price as of the close of regular trading on the NYSE. Securities traded on the National Association of Securities Dealers Automated Quotation (“NASDAQ”) are generally valued at the NASDAQ Official Closing Price (“NOCP”). In the absence of sales and NOCP, such securities are valued at the mean of the bid and asked prices.

Securities having a remaining maturity of 60 days or less are valued at amortized cost which approximates market value.

When market quotations are not readily available or when events occur that make established valuation methods unreliable, securities of the Fund may be valued at fair value determined in good faith by or under the direction of the Board of Directors. Factors which may be considered when determining the fair value of a security include (a) the fundamental data relating to the investment; (b) an evaluation of the forces which influence the market in which the security is sold, including the liquidity and depth of the market; (c) the market value at date of purchase; (d) information as to any transactions or offers with respect to the security or comparable securities; and (e) any other relevant matters.

Investment Transactions – Investment transactions are accounted for on the date the investments are purchased or sold (trade date). Realized gains and losses from investment transactions and unrealized appreciation and depreciation of investments are determined on the “specific identification” basis for both financial statement and federal income tax purposes. Dividend income is recorded on the ex-dividend date. Interest income, which includes interest earned on money market funds, is accrued and recorded daily.

Federal Income Taxes – The Fund intends to comply with the requirements of the Internal Revenue Code that are applicable to regulated investment companies and to distribute all of its taxable income to its stockholders. Therefore, no provision has been made for federal income taxes.

The tax character of the distributions paid was as follows:

	Period Ended March 31, 2007	Year Ended December 31, 2006
Distributions paid from:		
Ordinary income	\$ —	\$ 960,443
Long-term capital gain	—	3,064,915
Return of capital	—	12,139,609
Undesignated	—	—
Total	\$ 0	\$16,164,967

The tax character of the distributions paid as “undesignated” will be determined at the fiscal year ending December 31, 2007.

As of March 31, 2007, the components of distributable earnings on a tax basis were as follows:

Undistributed net investment income	\$ 113,063
Accumulated net realized gain	1,631,706
Net unrealized appreciation/(depreciation)	<u>29,347,551</u>
Total	<u>\$31,092,320</u>

The difference between book basis and tax basis is attributable to the tax deferral of losses on wash sales.

Distributions to Stockholders – Distributions to stockholders are recorded on the ex-dividend date.

The Fund currently maintains a “managed distribution policy” which distributes at least 2.5% of its net asset value quarterly to its stockholders. These fixed distributions are not related to the amount of the Fund’s net investment income or net realized capital gains or losses and will be classified to conform to the tax reporting requirements of the Internal Revenue Code.

Denver Investment Advisors LLC (“DenverIA”) generally seeks to minimize realized capital gain distributions without generating capital loss carryforwards. As such, if the Fund’s total distributions required by the fixed quarterly payout policy for the year exceed the Fund’s “current and accumulated earnings and profits,” the excess will be treated as non-taxable return of capital, reducing the stockholder’s adjusted basis in

his or her shares. Although capital loss carryforwards may offset any current year net realized capital gains, such amounts do not reduce the Fund’s “current earnings and profits.” Therefore, to the extent that current year net realized capital gains are offset by capital loss carryforwards, such excess distributions would be classified as taxable ordinary income rather than non-taxable return of capital. In this situation, the Fund’s Board of Directors would consider that factor, among others, in determining whether to retain, alter or eliminate the “managed distribution policy.” The Fund’s distribution policy may be changed at the discretion of the Fund’s Board of Directors. At this time, the Board of Directors has no plans to change the current policy.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and disclosures made in the accompanying notes to the financial statements. Actual results could differ from those estimates.

2. UNREALIZED APPRECIATION AND DEPRECIATION OF INVESTMENTS (TAX BASIS)

As of March 31, 2007:

Gross appreciation (excess of value over tax cost)	\$ 30,458,168
Gross depreciation (excess of tax cost over value)	<u>(1,110,617)</u>
Net unrealized appreciation/(depreciation)	<u>\$ 29,347,551</u>
Cost of investments for income tax purposes	<u><u>\$ 142,526,523</u></u>

3. INVESTMENT ADVISORY AND ADMINISTRATION SERVICES

The Fund has an Investment Advisory Agreement with Denver Investment Advisors LLC (“DenverIA”), whereby a management fee is paid to DenverIA based on an annual rate of 0.65% of the Fund’s average weekly net assets up to \$100,000,000 and 0.50% of the Fund’s average weekly net assets in excess of \$100,000,000. The management fee is paid monthly based on the average of the net assets of the Fund computed as of the last business day the New York Stock Exchange is open each week. Certain officers and a director of the Fund are also officers of DenverIA.

ALPS Fund Services, Inc. (“ALPS”) and DenverIA serve as the Fund’s co-administrators. The Administrative Agreement includes the Fund’s administrative and fund accounting services. The administrative services fee is based on an annual rate for ALPS and DenverIA, respectively, of 0.0855% and 0.01% of the Fund’s average daily net assets up to \$75,000,000, 0.04%, and 0.005% of the Fund’s average daily net assets between \$75,000,000 and \$125,000,000, and 0.02% and 0.005% of the Fund’s average daily net assets in excess of \$125,000,000 plus certain out-of-pocket expenses. The administrative service fee is paid monthly.

The Directors have appointed a Chief Compliance Officer who is also Treasurer of the Fund and an employee of DenverIA. The Directors agreed that the Fund would reimburse DenverIA a portion of his compensation for his services as the Fund’s Chief Compliance Officer.

4. LOAN OUTSTANDING

The Fund has a line of credit with The Bank of New York (“BONY”) in which the Fund may borrow up to the lesser of \$15,000,000 or the maximum amount the Fund is permitted to borrow under the Investment Company Act of 1940. The interest rate resets daily at overnight Federal Funds Rate plus 0.825%. The borrowings under the BONY loan are secured by a perfected security interest on all of the Fund’s assets.

Details of the loan outstanding are as follows:

	As of March 31, 2007	Average for Period Ended March 31, 2007
Loan outstanding	\$11,150,000	\$ 9,048,556
Interest rate	6.13%*	6.08%
% of Fund’s total assets	6.48%	5.26%
Amount of debt per share outstanding	\$ 0.40	\$ 0.32
Number of shares outstanding (in thousands)	28,131	28,129**

*Annualized

**Weighted average

5. NEW ACCOUNTING PRONOUNCEMENTS

In June 2006, the Financial Accounting Standards Board (FASB) issued FASB Interpretation No. 48 – Accounting for Uncertainty in Income Taxes, that requires the tax effects of certain tax positions to be recognized. FASB Interpretation No. 48 is effective for fiscal periods beginning after December 15, 2006. Management of the Fund currently believes that FASB Interpretation No. 48 will have no impact on the Fund’s financial statements.

In September 2006, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 157, “Fair Value Measurements” (SFAS No. 157). SFAS No. 157 defines fair value for securities in the Fund’s portfolio, establishes a framework for measuring fair value in accordance with generally accepted accounting principles and expands disclosure about fair value measurements. SFAS No. 157 is effective for fiscal years beginning after November 15, 2007. Management is currently evaluating the impact adoption of SFAS No. 157 will have on the Fund’s financial statement disclosures.

6. SUBSEQUENT EVENT

The Fund declared a distribution of \$0.14 per share on April 2, 2007. The distribution is payable on April 27, 2007. Of the total distribution, approximately \$0.0040 represents net investment income for the first quarter and the remaining undesignated portion is paid from capital surplus. If the Fund’s total distributions for the year exceed its net investment income and net realized capital gains for the year, all or a portion of the undesignated distributions may constitute a non-taxable return of capital. A return of capital distribution would not necessarily reflect the Fund’s investment performance and should not be confused with “yield” or “income.” As of March 31, 2007, the undesignated portion of the distribution would include approximately 42.65% from net realized capital gains and 57.35% from paid in capital. The actual amounts and sources of the amounts for tax reporting purposes will depend upon the Fund’s investment experience during the remainder of the year and may be subject to changes based on tax regulations.

BOARD OF DIRECTORS

Kenneth V. Penland, *Chairman*

Todger Anderson, *Director*

Lee W. Mather, Jr., *Director*

Richard C. Schulte, *Director*

Roberta M. Wilson, *Director*

OFFICERS

Kenneth V. Penland, *Chairman*

Todger Anderson, *President*

Mark M. Adelman, *Vice President*

Nancy P. O'Hara, *Secretary*

Jasper R. Frontz, *Treasurer, Chief*

Compliance Officer

Investment Adviser/Co-Administrator

Denver Investment Advisors LLC

1225 17th Street, 26th Floor

Denver, CO 80202

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Custodian

Bank of New York

One Wall Street

New York, NY 10286

Co-Administrator

ALPS Fund Services, Inc.

1290 Broadway, Suite 1100

Denver, CO 80203

Transfer Agent

Dividend Reinvestment Plan Agent

(Questions regarding your Account)

Mellon Investor Services, LLC

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www.melloninvestor.com

NYSE Symbol—BLU



BLUECHIP VALUE FUND

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