

EATON VANCE LTD DURATION INCOME FUND
Form N-CSRS
November 25, 2011

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: 811-21323

Eaton Vance Limited Duration Income Fund

(Exact Name of Registrant as Specified in Charter)

Two International Place, Boston, Massachusetts 02110

(Address of Principal Executive Offices)

Maureen A. Gemma

Two International Place, Boston, Massachusetts 02110

(Name and Address of Agent for Services)

(617) 482-8260

(Registrant's Telephone Number)

March 31*

Date of Fiscal Year End

September 30, 2011

Date of Reporting Period

* The fiscal year end was recently changed from April 30th to March 31.

Item 1. Reports to Stockholders

Eaton Vance
Limited Duration Income Fund (EVV)

Semiannual Report
September 30, 2011

Fund shares are not insured by the FDIC and are not deposits or other obligations of, or guaranteed by, any depository institution. Shares are subject to investment risks, including possible loss of principal invested.

Semiannual Report September 30, 2011

Eaton Vance

Limited Duration Income Fund

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Eaton Vance
 Limited Duration Income Fund
 September 30, 2011
 Performance¹

Portfolio Managers Scott H. Page, CFA; Payson F. Swaffield, CFA; Andrew Szczurowski, CFA; Mark S. Venezia, CFA; Michael W. Weilheimer, CFA; Catherine C. McDermott

New York Stock Exchange (NYSE) Amex Symbol **EVV**
Inception Date **5/30/03**

% Average Annual Total Returns at net asset value (NAV)

Six Months	-2.62
One Year	3.75
Five Years	7.01
Since Inception	6.99

% Average Annual Total Returns at market price, NYSE Amex

Six Months	-4.57
One Year	-3.04
Five Years	5.84
Since Inception	6.00

% **Premium/Discount to NAV (9/30/11)** -7.51

Distributions²

Total Distributions per share (3/31/11 - 9/30/11)	\$0.625
Distribution Rate at NAV	7.89%
Distribution Rate at market price	8.53%

% **Total Leverage³**

Auction Preferred Shares (APS)	9.76
Borrowings	22.15

Fund Profile

Asset Allocation (% of net investments)⁴

See End notes and Additional Disclosures on page 3.

Past performance is no guarantee of future results. Returns are historical and are calculated by determining the percentage change in net asset value or market price (as applicable) with all distributions reinvested. Fund performance at market price will differ from its results at NAV due to factors such as changing perceptions about the Fund, market conditions, fluctuations in supply and demand for Fund shares, or changes in Fund distributions. Investment return and principal value will fluctuate so that shares, when sold, may be worth more or less than their original cost. Performance less than one year is cumulative. Performance is for the stated time period only; due to market volatility, current Fund performance may be lower or higher than the quoted return. For performance as of the most recent month end, please refer to www.eatonvance.com.

Eaton Vance

Limited Duration Income Fund

September 30, 2011

Endnotes and Additional Disclosures

1. Performance results reflect the effects of leverage.
2. Fund distribution rate represents actual distributions paid to shareholders and is calculated by dividing the last regular distribution per share in the period (annualized) by the NAV or market price at the end of the period. Distributions may be composed of ordinary income, net realized capital gains and return of capital.
3. Leverage represents the liquidation value of the Fund's APS and borrowings outstanding as a percentage of Fund net assets applicable to common shares plus APS and borrowings outstanding. Use of leverage creates an opportunity for income, but creates risks including greater price volatility. The cost of leverage rises and falls with changes in short-term interest rates. The Fund is required to maintain prescribed asset coverage for its APS and borrowings, which could be reduced if Fund asset values decline.
4. Asset allocation as a percentage of the Fund's net assets amounted to 146.2%.

Fund profile subject to change due to active management.

Notice to Shareholders

Effective November 1, 2011, Andrew Szczurowski became a portfolio manager of the Fund to replace Susan Schiff, who will continue to serve as portfolio manager for other Eaton Vance funds. Mr. Szczurowski supported Ms. Schiff in her role as portfolio manager. He joined Scott H. Page, Payson F. Swaffield, Mark S. Venezia, Michael W. Weilheimer, and Catherine C. McDermott.

Mr. Szczurowski is an Assistant Vice President of Eaton Vance Management and an analyst on Eaton Vance's global/fixed-income MBS team. Andrew joined the MBS team of the global/fixed-income department in 2007. Prior to joining Eaton Vance, he was affiliated with Bank of New York Mellon.

Eaton Vance
Limited Duration Income Fund

September 30, 2011

Portfolio of Investments (Unaudited)

Senior Floating-Rate Interests 41.7%)

Borrower/Tranche Description	Principal Amount* (000 s omitted)	Value
Aerospace and Defense 0.7%		
Avio Holding SpA		
Term Loan - Second Lien, 5.60%, Maturing June 14, 2016	EUR 700	\$ 846,387
Booz Allen Hamilton, Inc.		
Term Loan, 4.00%, Maturing August 3, 2017	473	470,484
DAE Aviation Holdings, Inc.		
Term Loan, 5.26%, Maturing July 31, 2014	1,380	1,292,050
Term Loan, 5.26%, Maturing July 31, 2014	1,438	1,346,362
Delos Aircraft, Inc.		
Term Loan, 7.00%, Maturing March 17, 2016	775	776,938
Doncasters (Dundee HoldCo 4 Ltd.)		
Term Loan, 4.24%, Maturing May 15, 2015	555	478,577
Term Loan, 4.74%, Maturing May 13, 2016	555	478,577
Term Loan - Second Lien, 6.70%, Maturing January 13, 2016	GBP 1,234	1,674,796
Ducommun, Inc.		
Term Loan, 5.50%, Maturing June 28, 2017	574	560,657
IAP Worldwide Services, Inc.		
Term Loan, 9.25%, Maturing December 28, 2012	981	962,230
Sequa Corp.		
Term Loan, 3.50%, Maturing December 3, 2014	1,191	1,130,416
TASC, Inc.		
Term Loan, 4.50%, Maturing December 18, 2015	1,543	1,483,580
Wesco Aircraft Hardware Corp.		
Term Loan, 4.25%, Maturing April 7, 2017	386	384,695
Wyle Services Corp.		
Term Loan, 5.75%, Maturing March 27, 2017	927	890,264
		\$ 12,776,013

Air Transport 0.1%

Evergreen International Aviation

Term Loan, 11.50%, Maturing July 5, 2016 975 \$ 897,000

Orbitz Worldwide, Inc.

Term Loan, 3.27%, Maturing July 25, 2014 1,775 1,558,626

\$ 2,455,626

Automotive 2.0%

Allison Transmission, Inc.

Term Loan, 2.98%, Maturing August 7, 2014 6,655 \$ 6,282,548

Chrysler Group, LLC

Term Loan, 6.00%, Maturing May 24, 2017 4,989 4,392,180

Delphi Corp.

Term Loan, 3.50%, Maturing March 31, 2017 2,095 2,077,060

Federal-Mogul Corp.

Term Loan, 2.16%, Maturing December 29, 2014 4,041 3,734,817

Term Loan, 2.17%, Maturing December 28, 2015 3,591 3,318,400

Goodyear Tire & Rubber Co.

Term Loan - Second Lien, 1.94%, Maturing April 30, 2014 4,450 4,308,156

HHI Holdings, LLC

Term Loan, 7.00%, Maturing March 21, 2017 473 451,357

Metaldyne, LLC

Term Loan, 5.25%, Maturing May 18, 2017 3,113 3,019,722

Pinafore, LLC

Term Loan, 4.25%, Maturing September 21, 2016 2,163 2,127,231

SRAM, LLC

Term Loan, 4.76%, Maturing June 7, 2018 1,409 1,359,215

TI Automotive, Ltd.

Term Loan, 9.50%, Maturing July 29, 2016 997 999,975

TriMas Corp.

Term Loan, 4.25%, Maturing June 21, 2017 1,122 1,102,549

Veyance Technologies, Inc.

Term Loan, 2.74%, Maturing July 31, 2014 294 264,727

Term Loan, 2.74%, Maturing July 31, 2014 2,056 1,848,278

Term Loan - Second Lien, 5.99%, Maturing July 31, 2015 2,100 1,748,250

\$ 37,034,465

Beverage and Tobacco 0.0%

Maine Beverage Co., LLC

Term Loan, 2.00%, Maturing March 31, 2013	213	\$ 204,750
		\$ 204,750

Brokers, Dealers and Investment Houses 0.1%

Mondrian Investment Partners, Ltd.

Term Loan, 5.50%, Maturing July 12, 2018	1,406	\$ 1,373,943
		\$ 1,373,943

Building and Development 0.5%

Beacon Sales Acquisition, Inc.

Term Loan, 2.24%, Maturing September 30, 2013	824	\$ 782,905
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Forestar USA Real Estate Group, Inc.

Revolving Loan, 0.51%, Maturing August 6, 2013 ⁽³⁾	308	289,052
Term Loan, 6.50%, Maturing August 6, 2015	2,854	2,740,171

See Notes to Financial Statements.

Eaton Vance
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September 30, 2011

Portfolio of Investments (Unaudited) continued

Borrower/Tranche Description	Principal Amount* (000 s omitted)	Value
Building and Development (continued)		
NCI Building Systems, Inc.		
Term Loan, 8.00%, Maturing April 18, 2014	614	\$ 596,629
Panolam Industries Holdings, Inc.		
Term Loan, 8.25%, Maturing December 31, 2013	1,864	1,677,226
RE/MAX International, Inc.		
Term Loan, 5.50%, Maturing April 15, 2016	2,181	2,148,324
Realogy Corp.		
Term Loan, 3.19%, Maturing October 10, 2013	116	103,594
Term Loan, 3.27%, Maturing October 10, 2013	977	874,161
South Edge, LLC		
Term Loan, 0.00%, Maturing October 31, 2009 ⁽⁴⁾	288	280,313
WCI Communities, Inc.		
Term Loan, 10.01%, Maturing September 2, 2016 ⁽⁵⁾	761	743,604
		\$ 10,235,979

Business Equipment and Services 4.5%

Acosta, Inc.		
Term Loan, 4.75%, Maturing March 1, 2018	2,219	\$ 2,143,699
Advantage Sales & Marketing, Inc.		
Term Loan, 5.25%, Maturing December 18, 2017	1,886	1,825,642
Affinion Group, Inc.		
Term Loan, 5.00%, Maturing October 10, 2016	5,548	5,059,854
Allied Security Holdings, LLC		
Term Loan, 5.00%, Maturing February 3, 2017	547	539,041
Audatex North America, Inc.		

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Term Loan, 3.31%, Maturing May 16, 2014 BAR/BRI Review Courses, Inc.	EUR	1,059	1,391,018
Term Loan, 6.00%, Maturing June 16, 2017 Brand Energy and Infrastructure Services, Inc.		775	755,625
Term Loan, 2.62%, Maturing February 7, 2014		910	830,368
Term Loan, 3.62%, Maturing February 7, 2014 Brickman Group Holdings, Inc.		983	882,497
Term Loan, 7.25%, Maturing October 14, 2016 Brock Holdings III, Inc.		1,315	1,301,912
Term Loan, 6.00%, Maturing March 16, 2017 Catalina Marketing Corp.		1,070	1,002,773
Term Loan, 2.99%, Maturing October 1, 2014 Crawford & Company		1,989	1,874,669
Term Loan, 5.00%, Maturing October 30, 2013 Infogroup, Inc.		1,495	1,483,373
Term Loan, 5.99%, Maturing May 22, 2018 KAR Auction Services, Inc.		972	926,303
Term Loan, 5.00%, Maturing May 19, 2017 Kronos, Inc.		3,092	3,001,415
Term Loan, 2.12%, Maturing June 11, 2014 Meritas, LLC		1,456	1,389,350
Term Loan, 7.50%, Maturing July 28, 2017 Mitchell International, Inc.		853	823,266
Term Loan - Second Lien, 5.63%, Maturing March 30, 2015 MSCI, Inc.		2,500	2,312,500
Term Loan, 3.75%, Maturing March 14, 2017 National CineMedia, LLC		1,115	1,113,422
Term Loan, 1.84%, Maturing February 13, 2015 NE Customer Service		2,333	2,246,253
Term Loan, 6.00%, Maturing March 23, 2016 Nielsen Finance, LLC		1,980	1,918,125
Term Loan, 2.23%, Maturing August 9, 2013 Quantum Corp.		7,523	7,320,520
Term Loan, 3.74%, Maturing July 14, 2014 Quintiles Transnational Corp.		68	66,502
Term Loan, 5.00%, Maturing June 8, 2018 Res-Care, Inc.		4,564	4,316,368
Term Loan, 7.25%, Maturing December 22, 2016 Sabre, Inc.		1,492	1,447,707
Term Loan, 2.24%, Maturing September 30, 2014 Sensus Metering Systems, Inc.		7,485	6,314,230
Term Loan, 4.75%, Maturing May 9, 2017 Serena Software, Inc.		721	694,323
Term Loan, 4.34%, Maturing March 10, 2016 Sitel (Client Logic)		3,206	2,941,598
Term Loan, 7.00%, Maturing January 30, 2017 SS&C Technologies, Inc.		1,171	1,106,685
Term Loan, 2.24%, Maturing November 23, 2012 SunGard Data Systems, Inc.		1,149	1,117,428
Term Loan, 1.98%, Maturing February 28, 2014		439	429,690
Term Loan, 3.89%, Maturing February 26, 2016		13,378	12,887,578

SymphonyIRI Group, Inc.

Term Loan, 5.00%, Maturing December 1, 2017	898	873,062
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TransUnion, LLC

Term Loan, 4.75%, Maturing February 12, 2018	995	973,441
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Travelport, LLC

Term Loan, 4.75%, Maturing August 21, 2015	1,563	1,384,688
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Term Loan, 4.75%, Maturing August 21, 2015	2,109	1,868,408
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Term Loan, 4.87%, Maturing August 21, 2015	446	395,179
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Term Loan, 6.04%, Maturing August 21, 2015	EUR 739	911,292
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See Notes to Financial Statements.

Eaton Vance
Limited Duration Income Fund

September 30, 2011

Portfolio of Investments (Unaudited) continued

Borrower/Tranche Description	Principal Amount* (000 s omitted)	Value
Business Equipment and Services (continued)		
U.S. Security Holdings, Inc.		
Term Loan, 1.50%, Maturing July 28, 2017 ⁽³⁾	130	\$ 127,466
Term Loan, 6.00%, Maturing July 28, 2017	670	654,534
West Corp.		
Term Loan, 2.69%, Maturing October 24, 2013	552	536,552
Term Loan, 4.57%, Maturing July 15, 2016	1,341	1,301,196
Term Loan, 4.57%, Maturing July 15, 2016	3,816	3,701,929
		\$ 84,191,481
Cable and Satellite Television 2.3%		
AMC Entertainment, Inc.		
Term Loan, 3.50%, Maturing December 16, 2016	1,663	\$ 1,589,510
Bragg Communications, Inc.		
Term Loan, 2.82%, Maturing August 31, 2014	1,550	1,488,338
Cequel Communications, LLC		
Term Loan, 2.22%, Maturing November 5, 2013	2,815	2,721,437
CSC Holdings, Inc.		
Term Loan, 1.98%, Maturing March 29, 2016	2,630	2,556,365
Insight Midwest Holdings, LLC		
Term Loan, 1.98%, Maturing April 7, 2014	4,262	4,195,242
Kabel Deutschland GmbH		
Term Loan, 4.61%, Maturing June 15, 2018	EUR 1,300	1,630,021
Lavena Holdings 4 GmbH		
Term Loan, 4.20%, Maturing March 6, 2015	EUR 2,045	2,060,460