

Claymore Closed-End Funds Announce New Financing Arrangement for Certain Auction-Rate Preferred Securities

Lisle, IL – May 2, 2008 – Claymore Securities, Inc. (“Claymore”), a leading financial services company offering unique investment solutions for financial advisors and their valued clients, today provided an update on developments in the market for auction-rate preferred shares (“ARPS”) issued by closed-end funds, including funds serviced by Claymore.

Two funds serviced by Claymore, [Flaherty & Crumrine/Claymore Preferred Securities Income Fund Incorporated](#) (NYSE: [FFC](#)) and [Flaherty & Crumrine/Claymore Total Return Fund Incorporated](#) (NYSE:[FLC](#)) announced that they have secured committed financing that they intend to use to redeem a majority of their ARPS at a redemption price equal to the liquidation preference of \$25,000 per share, plus the amount of accumulated but unpaid dividends, for consideration of approximately \$377 million by FFC and \$89 million by FLC. This amount represents approximately 70% of each Fund's outstanding ARPS and approximately 27% of the ARPS issued by closed-end funds either serviced or advised by Claymore. Furthermore, the new financing is expected to be lower than the projected total cost of the existing ARPS based on the maximum applicable dividend rates. For additional information regarding the new financing agreement please visit the Funds' website www.fcclaymore.com.

A conference call to discuss the new financing arrangement took place on May 2, 2008. A replay of the call is currently available and will extend through May 14, 2008. To access the replay, please dial (888) 843-8996, conference ID number 21397019 or visit <http://webcast.streamlogics.com/audience/index.asp?eventid=15009>. Further information regarding the new financing arrangement is posted on the Funds' website at www.fcclaymore.com.

The financing arrangements described above are applicable only to the two funds mentioned above. Claymore, in collaboration with each Claymore closed-end fund's portfolio management team, continues to pursue leverage alternatives for the remaining closed-end funds serviced or advised by Claymore. We recognize the urgency of this situation and are committed to providing periodic updates and commentary via press releases and our website at www.claymore.com/CEFS.

Claymore Securities, Inc. is a privately-held financial services company offering unique investment solutions for financial advisors and their valued clients. Claymore entities have provided supervision, management, servicing and/or distribution on approximately \$18.3 billion in assets, as of March 31, 2008. Claymore currently offers closed-end funds, unit investment trusts and exchange-traded funds. Registered investment products are sold by prospectus only and investors should read the prospectus carefully before investing.

The opinions referenced are as of the date of publication and are subject to change due to changes in the market or economic conditions and may not necessarily come to pass. Information contained herein should not be considered investment advice.

Investors should consider the investment objectives and policies, risk considerations, charges and expenses of any investment before they invest. For this and more information, please contact a securities representative or Claymore Securities, Inc., 2455 Corporate West Drive, Lisle, Illinois 60532, 800-345-7999.

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