

DCS Adopts Open-Market Share Repurchase Plan

Lisle, Illinois – July 29, 2009 - (NYSE: [DCS](#)) [Claymore Dividend & Income Fund](#) (“DCS” or the “Fund”), a non-diversified closed-end management investment company, announces that the Fund’s Board of Trustees has approved an open-market share repurchase plan (the “Plan”).

Under the terms of the Plan, the Fund is authorized to purchase up to 1% of its outstanding common shares in the open market on a quarterly basis, subject to applicable regulatory and legal restrictions and in consideration of certain operational and market factors, including the size of the market price discount to net asset value of the Fund. The amount and timing of repurchases will be at the discretion of the Investment Adviser to the Fund, and subject to market conditions and investment considerations. The Fund intends to conduct the Plan in accordance with Rule 10b-18 under the Securities Exchange Act of 1934.

The Plan is intended to enhance shareholder value. The Fund’s Board of Trustees has authorized the share repurchase program in the belief that share repurchases may at times represent attractive investment opportunities for the Fund.

There is no assurance that the Fund will purchase shares at any particular discount level or in any particular amount. There is also no assurance that the market price of the Fund’s shares, either absolutely or relative to net asset value, will increase as a result of any share repurchases.

Claymore Advisors, LLC, an affiliate of Claymore Securities, Inc., serves as the Fund’s Investment Adviser. 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 \$12.9 billion in assets as of June 30, 2009. 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. Additional information on Claymore’s closed-end funds is available at www.claymore.com/CEF.

Manning & Napier Advisors, Inc. serves as the Fund’s interim Investment Sub-Adviser. Manning & Napier has been a registered investment adviser since 1970. For more than 35 years, Manning & Napier has focused on managing clients’ investments through a variety of market conditions. The firm manages approximately \$19 billion for individuals, corporations, defined benefit pension plans, 401(k) choice plans, Taft-Hartley accounts, endowments, foundations and municipal retirement plans as of June 30, 2009. It remains an employee-owned firm, with 100% of the firm owned by full-time employees.

This information does not represent an offer to sell securities of the Fund and it is not soliciting an offer to buy securities of the Fund. There can be no assurance that the Fund will achieve its investment objectives. The net asset value of the Fund will fluctuate with the value of the underlying securities. It is important to note that closed-end funds trade on their market value, not net asset value, and closed-end funds often trade at a discount to their net asset value. Past performance is not indicative of future performance. An investment in the Fund is subject to certain risks and other considerations. Such risks and considerations include, but are not limited

to: Investment Risk, Equity Risk, Preferred Securities Risk, Income Risk, Value Investing Risk, Interest Rate Risk, Inflation Risk, Lower-Grade Securities Risk, Foreign Securities Risk, Derivatives Risk, Illiquid Securities Risk, Fund Distribution Risk, Market Discount Risk, Industry Concentration Risk, Other Investment Companies Risk, Non-Diversified Status Risk, Financial Leverage Risk, Management Risk, Current Developments Risk, Anti-Takeover Provisions, Market Disruption Risk and AMPS Risk.

Investors should consider the investment objectives and policies, risk considerations, charges and expenses of the Fund carefully 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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