

Claymore Closed-End Fund 2005 Tax Information Guide

The following is an informational table detailing the tax characteristics of Claymore closed-end funds for the 2005 calendar year. This is not intended as tax advice or a solicitation to buy or sell the funds. Please consult your tax advisor should you have questions about your individual tax situation.

Fund	Total Distribution				Percentage of Total Ordinary Dividends			Percentage of Tax-Exempt Income	Other
	Total Ordinary Dividends ¹	Tax-Exempt Income ²	Long-Term Capital Gains ³	Return of Capital ⁴	Qualified Dividend Income (QDI) ⁵	Dividends Received Deduction ⁶	Direct U.S. Gov't Obligations ⁷	Alternative Minimum Tax (AMT) ⁸	Florida Intangibles Tax on NAV ⁹
TYW	55.44%	31.00%	13.56%	0.00%	46.70%	41.93%	0.00%	0.00%	100.00%

Ordinary Dividends, Tax-Exempt Income, Long-Term Capital Gains and Return of Capital figures are a percentage of the total distribution.

¹ Reported on Form 1099-DIV in box 1a; shows the percentage of total distributions designated as ordinary dividends

² Percentage of the total distribution that is exempt from federal income tax (i.e. municipal securities)

³ Reported on Form 1099-DIV in box 2a; shows the percentage of total distributions designated as long-term capital gain distributions

⁴ Reported on Form 1099-DIV in box 3; portion of distribution that is nontaxable (i.e. return of capital basis)

⁵ Reported on Form 1099-DIV in box 1b; the percentage of total ordinary dividends that may be eligible for the 15% or 5% long-term capital gains rates

⁶ Percentage of total ordinary dividends that may be eligible for the corporate dividends received deduction

⁷ Percentage of total ordinary dividends from direct U.S. government obligations

⁸ Represents the amount of tax-exempt income that is subject to the AMT calculation

⁹ Based on the net asset values of the funds, not the market prices; the amount shown represents the portion that is subject to the Florida Intangibles Tax.

Claymore Securities, Inc. does not provide tax advice, and investors should consult their tax advisor for further information.

This information does not represent an offer to sell securities of the funds and it is not soliciting an offer to buy securities of the funds. There can be no assurance that any closed-end fund will achieve its investment objective(s). Past performance does not guarantee future results. The value of any closed-end fund will fluctuate with the value of the underlying securities. The portions of the distributions deemed "Ordinary Income, Tax Exempt Income, Long-Term Gains, Qualified Dividend Income, Dividends Received Deduction, Direct U.S. Gov't Obligations, Alternative Minimum Tax, Florida Intangibles Tax on NAV and Return of Capital" are not indicative of future distributions and these figures may not be achieved in future years. Historically closed-end funds often trade at a discount to their net asset value. Please click on each fund link for more information regarding the fund.

Investors should consider the investment objectives and policies, risk considerations, charges and expenses of the funds 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.

The Fund's shares do not represent a deposit or obligation of, and are not guaranteed or endorsed by, any bank or other insured depository institution, and are not federally insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other government agency.

Additional information on Claymore's closed-end funds is available at www.claymore.com/products/CEFs.aspx

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www.claymore.com CLAYMORE®

TS&W/Claymore

Tax-Advantaged Balanced Fund

2005 TAX INFORMATION

January 2006

Dear Shareholder:

The following information is provided by the TS&W/Claymore Tax-Advantaged Balanced Fund (the "Fund") to assist in the preparation of your 2005 income tax returns. **Please retain this information in your files for tax purposes.**

Under the Internal Revenue Code, 31.00% of the distributions made by the Fund in 2005 are exempt from Federal income tax. Consistent with the Fund's investment objective, the Fund did not invest in any municipal securities the income from which is considered a tax preference item for purposes of the Alternative Minimum Tax.

Many states do not tax income from a mutual fund which has been earned from interest on municipal obligations issued by or within that state or U.S. possessions and territories. The following listing represents the percentage of the tax-exempt income which may be exempt from state and local taxes in each state. Please note that if income earned on obligations of the Commonwealth of Puerto Rico is exempt from tax in your state, you will need to combine Puerto Rico's percentage with your state's percentage for this calculation. *Please consult your tax advisor concerning the application of the state and local taxes to these distributions.*

Alabama	- %	Montana	- %
Alaska	-	Nebraska	-
Arizona	4.42	Nevada	0.49
Arkansas	-	New Hampshire	-
California	22.77	New Jersey	13.14
Colorado	3.31	New Mexico	0.07
Connecticut	-	New York	2.64
Delaware	0.28	North Carolina	-
District of Columbia	-	North Dakota	-
Florida	3.12	Ohio	5.26
Georgia	7.02	Oklahoma	0.10
Hawaii	-	Oregon	-
Idaho	-	Pennsylvania	6.42
Illinois	1.90	Puerto Rico	0.43
Indiana	0.46	Rhode Island	3.96
Iowa	-	South Carolina	3.59
Kansas	1.34	South Dakota	-
Kentucky	-	Tennessee	-
Louisiana	-	Texas	4.14
Maine	-	Utah	-
Maryland	-	Vermont	-
Massachusetts	2.32	Virginia	-
Michigan	1.45	Washington	-
Minnesota	2.03	West Virginia	-
Mississippi	-	Wisconsin	2.58
Missouri	6.76	Wyoming	-

Florida State Intangibles Tax:

The State of Florida levies an Intangible Tax on the market value of your shares held as of January 1, 2006 but allows for a reduction based on the percentage of Direct U.S. Government Obligations, obligations issued by the State of Florida or by a U.S. Commonwealth held in the Fund's portfolio at year-end, provided certain requirements are met. Florida municipal obligations represented 2.38% of the Fund's net assets as of December 31, 2005. However, it does not appear that the Fund met the overall holdings requirements for the reduction. Therefore, the full net asset value of the Fund's shares would be subject to this tax. *Shareholders are urged to consult their tax advisor for more information.*

Additional Information:

This information is provided as a guide to assist you in your preparation of your 2005 income tax returns. Please consult your tax advisor or your state/local tax authorities regarding your particular tax situation. Please contact Claymore Securities, Inc. at (800) 345-7999, if you need further information.