

## DCS Announces At-Par Redemption of Remaining AMPS

Lisle, IL – January 13, 2010 – (NYSE: DCS) Claymore Dividend & Income Fund (the “Fund”), a non-diversified closed-end management investment company, announces an at-par redemption of the remainder of its outstanding Auction Market Preferred Shares (“AMPS”), liquidation preference \$25,000 per share.

The Fund intends to redeem the remaining \$30 million of its outstanding AMPS. The redemption price will be equal to the liquidation preference per share, plus accumulated but unpaid dividends as of the applicable redemption date (as noted in the table below). The Fund expects to redeem its remaining AMPS as follows:

### Redemption Schedule

<u>Series</u>	<u>CUSIP Number</u>	<u>Number of Shares Redeemed</u>	<u>Amount Redeemed</u>	<u>Redemption Date</u>
M7	18385J204	400	\$10,000,000	February 2, 2010
W7	18385J402	400	\$10,000,000	February 4, 2010
F7	18385J600	400	\$10,000,000	February 1, 2010

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 or servicing on approximately \$15.2 billion in assets, as of December 31, 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.

Manning & Napier Advisors, Inc. serves as the Fund’s 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, including five bear markets. The firm managed 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.

*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, 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, and 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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