

**DIVIDEND AND INCOME FUND ANNOUNCES  
NEW ANTICIPATED EFFECTIVE DATE FOR  
1-FOR-4 REVERSE STOCK SPLIT**

New York, NY – November 9, 2012 – Dividend and Income Fund (NYSE: DNI) (NAV: XDNIX) (the “Fund”) today announced that the 1-for-4 reverse split of the issued and outstanding common shares of beneficial interest of the Fund is now anticipated to be effective as of the start of trading on December 10, 2012. The reverse stock split was approved by the Fund's Board of Trustees and is intended to enhance shareholder value. As a result of the reverse stock split, one new share will be issued for every four currently outstanding shares.

The reverse stock split is expected to result in a higher per share market price for the Fund's common shares and may benefit shareholders and the Fund by reducing certain per share transaction fees and other administrative costs, such as stock exchange listing fees.

The Fund will retain its trading symbol but has been assigned the following new CUSIP number, effective December 10, 2012: 25538A204.

Shareholders will be paid cash for any fractional shares that may result from the reverse split, except for shareholders participating in the Fund's Dividend Reinvestment Plan, who will receive fractional shares.

Each shareholder will hold the same percentage of the Fund's outstanding common shares of beneficial interest immediately following the reverse share split as held immediately prior to the split, subject to adjustments for the intended sale of fractional shares resulting from the transaction. The Fund will not issue new post-split share certificates. Current holders of certificates representing pre-split shares of the Fund will receive non-certificated post-split shares, meaning their holdings will be reflected only in the Fund's record books. Holders of certificates will not be able to trade their shares until they surrender their pre-split share certificates. However, they will continue to receive dividends or other distributions. Although the reverse split will not result in a taxable transaction for shareholders of the Fund, the exchange of fractional shares for cash may cause some shareholders to realize gains or losses, which could create a taxable event for those shareholders.

**About the Fund**

The Fund is a closed end fund with the primary investment objective of providing its shareholders a high level of income. Capital appreciation is a secondary objective. The Fund seeks to achieve its objectives by investing, under normal circumstances, at least 50% of its total assets in income generating equity securities. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful under the securities laws of any such state.

Bexil Advisers LLC is the Fund's investment manager. Bexil Advisers LLC is a wholly owned subsidiary of Bexil Corporation (BXLC). To learn more about Bexil Corporation, including Rule 15c2-11 information, please visit [www.bexil.com](http://www.bexil.com). For Fund shareholder related questions, please

call 212-785-0400. Certain affiliates of Bexil are engaged in stock market and gold investing through investment management of equity and gold mutual funds and closed end funds.

**Safe Harbor Note**

This release contains certain “forward looking statements” made pursuant to the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. These statements involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Fund, which may cause the Fund’s actual results to be materially different from those expressed or implied by such statements. The forward looking statements made herein are only made as of the date of this release, and the Fund undertakes no obligation to publicly update such forward looking statements to reflect subsequent events or circumstances.

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