

**DIVIDEND AND INCOME FUND, INC.
ANNOUNCES RESULTS OF
ANNUAL MEETING OF SHAREHOLDERS**

NEW YORK, NY – April 25, 2012 – Dividend and Income Fund, Inc. (NYSE: DNI) (NAV: XDNIX) (the “Fund”) announced today that, at the Annual Meeting of Shareholders of the Fund, shareholders approved (1) an Agreement and Plan of Reorganization, pursuant to which the Fund will be reorganized from a Maryland corporation into a newly formed Delaware statutory trust named “Dividend and Income Fund” (the “Trust”) (the “Reorganization”) and (2) the reelection of Bruce B. Huber to the Board of Directors of the Fund as the Class I Director, to serve until 2015 or until his successor is elected and qualifies.

Shareholders need not take any further action in connection with the Reorganization. Immediately after the Reorganization, shareholders of the Fund will own shares of the Trust that are equal in number and in value to the shares of the Fund they held immediately prior to the Reorganization. The Trust will not issue certificates representing the Trust shares issued in the Reorganization. The investment objective, strategies, policies, and restrictions of the Trust will be identical to those of the Fund in effect immediately prior to the Reorganization. The Trust will enter into a new investment advisory agreement with the Fund’s current investment manager, Bexil Advisers LLC (“Bexil”), that is substantially identical to the agreement currently in place with respect to the Fund. Specifically, the investment advisory fee rate for the Trust will be the same as that currently in effect for the Fund. It is expected that the Reorganization will be completed as soon as possible, subject to all regulatory requirements and customary closing conditions being satisfied.

As described in the Fund’s Proxy Statement dated March 21, 2012 (“Proxy Statement”), the Trust may be able to realize greater operating efficiencies as a result of the Reorganization because the Trust will operate under more modern and flexible governing documents. The Trust’s governing documents also contain provisions that limit the ability of persons to beneficially own more than 4.99% of the Trust’s outstanding shares without the prior approval of the Trust’s Board of Trustees. As further described in the Proxy Statement, these provisions are designed to preserve the Trust’s ability to use capital loss carryovers that could translate into future tax savings for the Trust and its shareholders, and may have an anti-takeover effect on the Trust similar to the effect of certain provisions the Fund currently takes advantage of under Maryland law.

About the Fund

The Fund is a diversified, closed end investment company. The Fund’s primary investment objective is to seek high current 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. Investors should consider the Fund’s investment objectives, strategies, risks and expenses carefully before investing. This information, and other information concerning the Fund, can be found on file with the U.S. Securities and Exchange Commission and at www.DividendandIncomeFund.com. An investor should carefully read the Fund’s registration statement before investing.

Bexil, the Fund's investment manager, is a wholly owned subsidiary of Bexil Corporation (BXLC), a holding company. To learn more about Bexil Corporation, including Rule 15c2-11 information, please visit www.bexil.com. For Fund stockholder related questions, please call 1-212-785-0400. Certain affiliates of Bexil Corporation are engaged in stock market and [gold investing](#) through investment management of equity and [gold mutual funds](#), [closed end funds](#), and proprietary trading.

This communication shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, these securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state, or an exemption therefrom.

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 announcement, and the Fund undertakes no obligation to publicly update such forward looking statements to reflect subsequent events or circumstances.

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