

Dividend and Income Fund Announces Results of Rights Offering

NEW YORK, NY – January 29, 2018 – Dividend and Income Fund (NYSE: DNI) (the “Fund”) is pleased to announce today the completion and results of its non-transferable rights offering (the “Offer”). The record date of the Offer was December 26, 2017 (“Record Date”), and the Offer expired on January 26, 2018 (the “Expiration Date”).

The subscription price per share was \$14.20, determined based upon a formula equal to 95% of the market price or 79% of the net asset value (“NAV”) per share, whichever is greater, on the Expiration Date. Market price per share was determined based on the average of the last reported sales prices of a share on the New York Stock Exchange for the five trading days preceding the Expiration Date (not including the Expiration Date). For this purpose, the market price per share, using the formula described above, was \$14.07 and the NAV per share on the Expiration Date was \$17.98. Approximately 1.66 million shares were subscribed for total gross proceeds of approximately \$23.5 million. Shares will be issued promptly after completion and receipt of all shareholder payments, expected to occur on or about February 2, 2018.

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. There is no assurance that the Fund’s investment objectives will be attained. Investors should consider the Fund’s investment objectives, strategies, risks, and expenses carefully before investing. Past performance is no guarantee of future results. Investment products, including shares of closed end funds, are not federally or FDIC insured, are not deposits or obligations of, or guaranteed by, any financial institution and involve investment risk, including possible loss of principal and fluctuation in value. Consult with your tax advisor or attorney regarding specific tax issues. This information, and other information concerning the Fund, can be found on file with the U.S. Securities and Exchange Commission (the “SEC”) and www.DividendandIncomeFund.com. This communication is not an offer to sell or the solicitation of an offer to buy these securities, nor shall there be any sale of these securities, in any state or jurisdiction in which such offer, solicitation or sale is not permitted.

Shares of closed end investment companies frequently trade at a discount from their NAVs. The market price of the shares is determined by a number of factors, several of which are beyond the control of the Fund. Therefore, the Fund cannot predict whether its shares will trade at, below, or above their NAV.

Cautionary Note Regarding Forward Looking Statements

This release contains certain “forward looking statements” as defined under the U.S. federal securities laws. Generally, the words “believe,” “expect,” “intend,” “estimate,” “anticipate,” “project,” “will,” and similar expressions identify forward looking statements, which generally are not historical in nature. Forward looking statements are subject to certain risks and uncertainties that could cause actual results to materially differ from the Fund’s historical experience and its current expectations or projections indicated in any forward looking statements. These risks include, but are not limited to, equity securities risk,

corporate bonds risk, credit risk, interest rate risk, leverage and borrowing risk, additional risks of certain securities in which the Fund invests, market discount from NAV, distribution policy risk, management risk, and other risks discussed in the Fund's filings with the SEC. You should not place undue reliance on forward looking statements, which speak only as of the date they are made. The Fund undertakes no obligation to update or revise any forward looking statements made herein.

Contact:

AST Fund Solutions, LLC, the Fund's information agent
Toll free at 1-800-814-4284

Thomas O'Malley, Chief Financial Officer
1-212-785-0900, ext. 267
tomalley@DividendandIncomeFund.com

-END-