

Dividend and Income Fund Announces Results of Rights Offering

NEW YORK, NY – November 2, 2015 – Dividend and Income Fund (NYSE: DNI) (NAV: XDNIX) (the “Fund”) is pleased to announce today the completion and results of its non-transferable rights offering (the “Offer”), which raised approximately \$21 million of gross proceeds. The record date of the Offer was September 28, 2015 (“Record Date”), and the Offer expired on October 30, 2015 (the “Expiration Date”). Shareholders of record received one right for each outstanding share owned as of the close of business on the Record Date, rounded up to the nearest number of rights evenly divisible by three. The rights entitled holders to buy one new share of the Fund for every three rights received, plus in certain circumstances additional new shares pursuant to an over-subscription privilege. The subscription price was determined to be \$11.62, based on a formula equal to 95% of the “market price per share” (the average of the last reported sales price of a share on the NYSE on the Expiration Date, and the four preceding trading days); since, however, this formula price was less than 80% of the net asset value (“NAV”) per share on the Expiration Date, the subscription price was 80% of the NAV per share on such date. For this purpose, the NAV per share on the Expiration Date was \$14.52 and the market price per share, using the formula described above, was \$11.75.

Of the 2.9 million shares offered, approximately 1.8 million shares were subscribed for. Shares will be issued promptly after completion and receipt of all shareholder payments, expected to occur on or about November 6, 2015.

The Fund is a non-diversified, closed end investment company. The Fund’s primary investment objective is to seek high current income. Capital appreciation is a secondary objective. Bexil Advisers LLC is the Fund’s investment manager.

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 www.dividendandincomefund.com, and should be read carefully before investing. 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.

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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