



Dreman/Claymore Dividend & Income Fund (DCS)

Investment Objective

The Fund's primary investment objective is to provide a high level of current income, with a secondary objective of capital appreciation. The Fund will pursue its investment objectives by investing its assets primarily in dividend-paying common and preferred stocks. There can be no assurance that the Fund will achieve its investment objectives.

Dreman Value Management, LLC

Dreman Value Management, LLC, the Fund's Investment Manager, was founded by David N. Dreman in 1997, and its predecessor firms date back to 1977. The firm manages assets primarily across institutional accounts, separate account wrap-fee programs, high-net-worth individuals and various investment companies. Independently owned, the firm is a value-oriented contrarian equity manager and places its primary emphasis on common stocks with growing dividends. David Dreman is widely known for his association with Forbes where he has penned a column entitled "The Contrarian" since 1980 and for publishing four books on low P/E contrarian value investing and behavioral finance.

Fund Overview (as of 01/06/2009)

Share Price	\$2.28	Inception ¹	1/27/2004
NAV	\$3.02	Inception NAV	\$19.10
Premium/(Discount)	(24.50%)	Inception Price	\$20.00
Current Distribution Rate ³	7.89%	Ticker	DCS
Tax-Advantaged Distribution Rate ⁵	10.06%	Exchange	NYSE
Dividend Per Share ²	\$0.04500	Daily Volume	366,024
Leverage ⁴	48.04%	CUSIP	26153R100
Expense Ratio (Common Shares) ⁶	1.76%	Website	www.dremanclaymore.com
Expense Ratio(Total Fund) ⁶	1.08%	Contact Fund	866-392-3004
Email	dcs@claymore.com		

Performance History (as of 12/31/2008)

	Share Price	NAV		Share Price	NAV
2008 YTD	-86.78%	-85.19%	2008	-86.78%	-85.19%
1 Year	-86.78%	-85.19%	2007	-26.57%	-18.78%
3 Year	-49.10%	-47.15%	2006	35.55%	22.49%
5 Year	N/A	N/A	2005	2.96%	7.17%
Since Inception	-33.44%	-29.17%	2004 (Partial Year)	-0.84%	16.54%

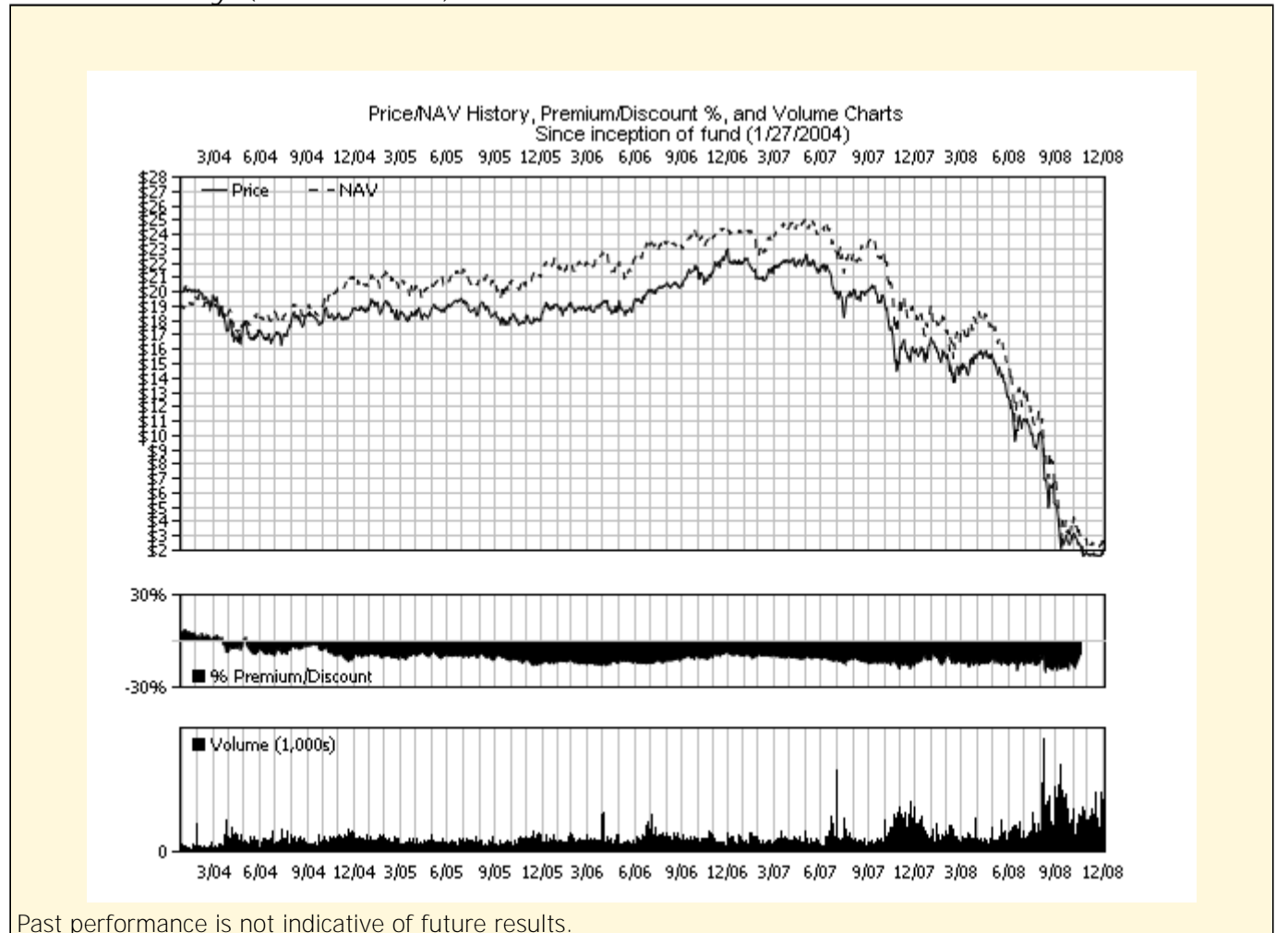
Performance data quoted represents past performance, which is no guarantee of future results, and current performance may be lower or higher than the figures shown. Since Inception returns assume a purchase of common shares at the initial offering price of \$20.00 per share for market price returns or initial net asset value (NAV) of \$19.10 per share for NAV returns. Returns for periods of less than one year are not annualized. All distributions are assumed to be reinvested either in accordance with the dividend reinvestment plan (DRIP) for market price returns or NAV for NAV returns. Until the DRIP price is available from the Plan Agent, the market price returns reflect the reinvestment at the closing market price on the last business day of the month. Once the DRIP is available around mid-month, the market price returns are updated to reflect reinvestment at the DRIP price.

Distribution History

Payable Date	Total Distribution Amount *
11/28/2008	\$0.045000
08/29/2008	\$0.325000
05/30/2008	\$0.325000
02/29/2008	\$0.325000
11/30/2007	\$0.325000
08/31/2007	\$0.325000

* See the Funds Section 19a-1 letters, if any, under the "Fund News" section of the News and Literature Tab of the Fund's website for estimates of distribution sources other than income. See the "Tax Information" tab of the Fund's website for final characterization of the Funds distributions for federal income tax purposes. Past performance is not indicative of future results.

Price History (as of 01/06/2009)



Past performance is not indicative of future results.

¹ Based on prospectus information.

² Quarterly dividend per share is subject to change. The distribution amount may include net investment income, capital gains and/or return of capital. The distribution amount alone is not indicative of Fund performance.

³ Latest declared quarterly dividend per share annualized and divided by the current share price. To the extent any portion of the current distribution is estimated to be sourced from something other than income, such as return of capital, the source would be disclosed on a Section 19a-1 letter located under the "Fund News" section of the "News & Literature" section of the Fund's website. The distribution rate may include net investment income, capital gains and/or return of capital. The distribution rate alone is not indicative of Fund performance.

⁴ As a percentage of total assets. This figure is calculated on a weekly basis.

⁵ "Tax-Advantaged Distribution Rate" is calculated based upon the 35% federal income tax bracket and assumes the 2007 tax characterization of dividends whereby 85.04% of distributions are ordinary income (of which 88.94% are qualified dividend income generally taxed at the maximum 15% long-term capital gains rate) and 14.96% are long-term capital gains. There can be no assurance that this characterization is indicative of future allocations nor that this distribution rate will be achieved in the future.

The Fund cannot assure investors as to what percentage of the dividends paid on the common shares, if any, will consist of qualified dividend income or long-term capital gains, both of which are taxed at lower rates for individuals than are ordinary income and short-term capital gains. It is important to note that common shareholders must meet the holding period requirements, as it pertains to qualified dividend income, as set forth by the Jobs and Growth Tax Relief Reconciliation Act of 2003, to be consistent with the tax-advantaged distribution rate shown herein.

If new tax legislation is not enacted, the taxation rates on qualifying dividend income and long-term capital gains will revert to the pre-2003 Tax Act rates in 2009. Taxation rates on taxable bond interest income, non-qualifying dividend income and short-term capital gains are scheduled to revert to the pre-2001 rates in 2011. Please consult your tax advisor for further information as it pertains to the potential tax advantages and implications of this Fund.

⁶ Expense ratio is annualized.

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Portfolio Composition (as of 11/30/2008)

Portfolio Concentration		Top 10 Holdings	
Common Stocks	65.76%	Devon Energy	8.20%
Corporate Bonds	19.57%	Anadarko Petroleum	6.50%
Preferred Stock	15.34%	ConocoPhillips	6.00%
Convertible Preferred	3.42%	Crescent Point Energy Trust (Canada)	5.80%
Cash and Equivalents	12.76%	Apache Corp	5.30%
Other	16.85%	Bank of America Corp	2.90%
		Bonavista Energy Trust (Canadian)	2.90%
		Arc Energy Trust (Canadian)	2.60%
		Dairy Farmers (Dairy) 7.875% Series 144A	2.50%
		Penn West Energy Trust	2.00%
Sector Concentration			
Financial	45.97%		
Energy	44.92%		
Consumer Staples	4.28%		
Industrials	2.62%		
Healthcare	0.90%		
Materials	0.49%		
Utilities	0.49%		
Consumer Discretionary	0.30%		
Telecommunication Services	0.03%		

Subject to change daily

Claymore Advisors, LLC

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, servicing or distribution through closed-end funds, unit investment trusts and exchange-traded funds. Additional information on Claymore's closed-end funds is available at www.claymore.com/CEFs.

Contact Information

Investors For questions concerning the Fund, please contact Transfer Agent, The Bank of New York Mellon.

Financial Advisors For questions concerning the Fund, please contact the Investment Adviser, Claymore Advisors, LLC

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Claymore Securities, Inc. Member FINRA/SIPC (01/09)

Risks and Other Considerations

There can be no assurance that the Fund will achieve its investment objective. The value of the Fund will fluctuate with the value of the underlying securities. Historically, closed-end funds often trade at a discount to their net asset value. The Fund is subject to investment risk, including the possible loss of the entire amount that you invest.

Equity Risk. Substantially all of the Fund's assets will be invested in common stocks and preferred equity securities, and therefore a principal risk of investing in the Fund is equity risk. Equity risk is the risk that securities held by the Fund will fall due to general market or economic conditions, perceptions regarding the industries in which the issuers of securities held by the Fund participate, and the particular circumstances and performance of particular companies whose securities the Fund holds.

Preferred Securities Risk. Special risks associated with investing in preferred securities include deferral of distributions or dividend payments, in some cases the right of an issuer never to pay missed dividends, subordination, illiquidity, limited voting rights and redemption by the issuer.

Income Risk. The income Common Shareholders receive from the Fund is based primarily on the dividends and interest it earns from its investments, which can vary widely over the short- and long term. If prevailing market interest rates drop, distribution rates of the Fund's portfolio holdings of preferred securities and debt securities may decline which then may adversely affect the Fund's distributions on Common Shares as well. The Fund's income also would likely be affected adversely when prevailing short-term interest rates increase and the Fund is utilizing Financial Leverage.

"Value Investing" Risk. The Fund focuses its investments on dividend-paying or other income-producing securities that the Investment Manager believes are undervalued or inexpensive relative to other investments. These types of securities may present risks in addition to the general risks associated with investing in common and preferred equity securities, including the risk that these securities may perform less well than securities that are perceived as "growth" stocks when the market favors growth stocks generally over value stocks, as it has done for extended periods in the past.

Lower Grade Securities Risks. Investing in lower grade securities (commonly known as "junk bonds") involves additional risks, including credit risk. Credit risk is the risk that one or more securities in the Fund's portfolio will decline in price, or fail to pay interest or principal when due, because the issuer of the security experiences a decline in its financial status.

Foreign Securities Risk. Investing in non-U.S. issuers may involve unique risks, such as currency, political, economic and market risk.

Fund Distribution Risk. Pursuant to its distribution policy, the Fund intends to make regular quarterly distributions on its Common Shares. In order to make such distributions, the Fund may have to sell a portion of its investment portfolio at a time when independent investment judgment may not dictate such action. In addition, the Fund's ability to make distributions more frequently than annually from any net realized capital gains by the Fund is subject to the Fund obtaining exemptive relief from the Securities and Exchange Commission, which cannot be assured. To the extent the total quarterly distributions for a year exceed the Fund's net investment company income and net realized capital gain for that year, the excess will generally constitute a return of the Fund's capital to its Common Shareholders. Such return of capital distributions generally are tax-free up to the amount of a Common Shareholder's tax basis in the Common Shares (generally, the amount paid for the Common Shares). In addition, such excess distributions will decrease the Fund's total assets and may increase the Fund's expense ratio.

In addition to the risks described above, the Fund is also subject to: Interest Rate Risk, Inflation Risk, Derivatives Risk, Illiquid Securities Risk, Market Discount Risk, Industry Concentration Risk, Other Investment Companies, Non-Diversified Status, Financial Leverage, Management Risk, Dependence on Key Personnel, and Current Developments. Please see www.dremanclaymore.com for a more detailed discussion about Fund risks and considerations.

NOT FDIC-INSURED

NOT BANK-GUARANTEED

MAY LOSE VALUE