

DELAWARE INVESTMENTS DIVIDEND & INCOME FUND, INC
Form N-CSR
February 06, 2019
UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

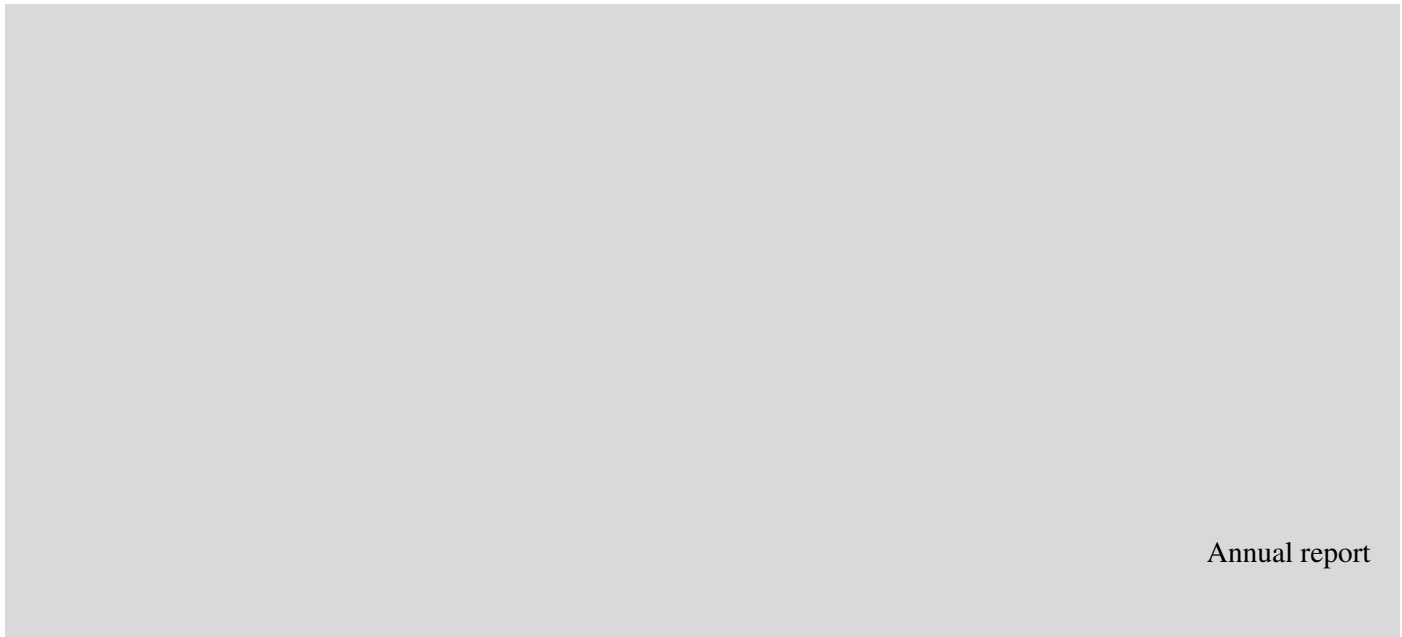
FORM N-CSR

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT
INVESTMENT COMPANIES**

Investment Company Act file number:	811-07460
Exact name of registrant as specified in charter:	Delaware Investments® Dividend and Income Fund, Inc.
Address of principal executive offices:	2005 Market Street Philadelphia, PA 19103
Name and address of agent for service:	David F. Connor, Esq. 2005 Market Street Philadelphia, PA 19103
Registrant's telephone number, including area code:	(800) 523-1918
Date of fiscal year end:	November 30
Date of reporting period:	November 30, 2018

Item 1. Reports to Stockholders

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Annual report

Closed-end fund

Delaware Investments® Dividend and Income Fund, Inc.

November 30, 2018

The figures in the annual report for Delaware Investments Dividend and Income Fund, Inc. represent past results, which are not a guarantee of future results. A rise or fall in interest rates can have a significant impact on bond prices. Funds that invest in bonds can lose their value as interest rates rise.

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Delaware Investments® Dividend and Income Fund, Inc. (DDF or the Fund), acting pursuant to a Securities and Exchange Commission (SEC) exemptive order and with the approval of the Fund's Board of Directors (the Board), has adopted a managed distribution policy (the Plan). Effective as of March 29, 2018, the Fund makes monthly distributions to common shareholders at a targeted annual distribution rate of 10% of the Fund's average net asset value (NAV) per share. The Fund will calculate the average NAV per share from the previous three full months immediately prior to the distribution based on the number of business days in those three months on which the NAV is calculated. The distribution will be calculated as 10% of the prior three months' average NAV per share, divided by 12. This distribution methodology is intended to provide shareholders with a consistent, but not guaranteed, income stream and a targeted annual distribution rate and is intended to narrow any discount between the market price and the NAV of the Fund's common shares, but there is no assurance that the policy will be successful in doing so.

Under the Plan, the Fund is managed with a goal of generating as much of the distribution as possible from net investment income and short-term capital gains. The balance of the distribution will then come from long-term capital gains to the extent permitted, and if necessary, a return of capital. The Fund will generally distribute amounts necessary to satisfy the terms of the Fund's Plan and the requirements prescribed by excise tax rules and Subchapter M of the Internal Revenue Code (the Code). Each monthly distribution to shareholders is expected to be at the fixed percentage described above, except for extraordinary distributions and potential distribution rate increases or decreases to enable the Fund to comply with the distribution requirements imposed by the Code.

The Board may amend, suspend, or terminate the Fund's Plan at any time without prior notice if it deems such action to be in the best interest of the Fund or its shareholders. The methodology for determining monthly distributions under the Plan will be reviewed at least annually by the Fund's Board, and the Fund will continue to evaluate its distribution in light of ongoing market conditions. The suspension or termination of the Plan could have the effect of creating a trading discount (if the Fund's stock is trading at or above NAV) or widening an existing trading discount. The Fund is subject to risks that could have an adverse impact on its ability to maintain distributions under the Plan. Examples of potential risks include, but are not limited to, economic downturns impacting the markets, increased market volatility, portfolio companies suspending or decreasing corporate dividend distributions, and changes in the Code.

Shareholders should not draw any conclusions about the Fund's investment performance from the amounts of these distributions or from the terms of the Plan. The Fund's total investment return on NAV is presented in its financial

highlights table.

A cumulative summary of the Section 19(a) notices for the Fund's current fiscal period, if applicable, is included in Other Fund Information. Section 19(a) notices for the Fund, as applicable, are available on the Fund's website at delawarefunds.com/closed-end/performance/fund-distributions.

Macquarie Asset Management (MAM) offers a diverse range of products including securities investment management, infrastructure and real asset management, and fund and equity-based structured products. Macquarie Investment Management (MIM) is the marketing name for certain companies comprising the asset management division of Macquarie Group. This includes the following registered investment advisors: Macquarie Investment Management Business Trust (MIMBT), Macquarie Funds Management Hong Kong Limited, Macquarie Investment Management Austria Kapitalanlage AG, Macquarie Investment Management Global Limited, Macquarie Investment Management Europe Limited, and Macquarie Capital Investment Management LLC. For more information, including press releases, please visit delawarefunds.com/closed-end.

Unless otherwise noted, views expressed herein are current as of Nov. 30, 2018, and subject to change for events occurring after such date.

The Fund is not FDIC insured and is not guaranteed. It is possible to lose the principal amount invested.

Advisory services provided by Delaware Management Company, a series of MIMBT, a US registered investment advisor. Other than Macquarie Bank Limited (MBL), none of the entities noted are authorized deposit-taking institutions for the purposes of the Banking Act 1959 (Commonwealth of Australia). The obligations of these entities do not represent deposits or other liabilities of MBL. MBL does not guarantee or otherwise provide assurance in respect of the obligations of these entities, unless noted otherwise. The Fund is governed by US laws and regulations.

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Portfolio management review

Delaware Investments® Dividend and Income Fund, Inc.

December 11, 2018

Performance preview (for the year ended November 30, 2018)

Delaware Investments Dividend and Income Fund, Inc. @ market price	1-year return	+27.97%
Delaware Investments Dividend and Income Fund, Inc. @ NAV	1-year return	+2.55%
Lipper Closed-end Income and Preferred Stock Funds Average @ market price	1-year return	- 3.86%
Lipper Closed-end Income and Preferred Stock Funds Average @ NAV	1-year return	- 3.15%

Past performance does not guarantee future results.

For complete, annualized performance for Delaware Investments Dividend and Income Fund, Inc., please see the table on page 3.

Index performance returns do not reflect any management fees, transaction costs, or expenses. Indices are unmanaged and one cannot invest directly in an index.

For the fiscal year ended Nov. 30, 2018, Delaware Investments Dividend and Income Fund, Inc. returned +2.55% at net asset value (NAV) and +27.97% at market price (both figures reflect all distributions reinvested). Complete annualized performance for the Fund is shown in the table on page 3.

A strong US economy

Throughout the Fund’s fiscal year ended Nov. 30, 2018, the US economy continued along its expansionary path. US gross domestic product (GDP) – a measure of national economic output – grew in all four quarters of the Fund’s fiscal year. The expansion was especially rapid in the second quarter (+4.2%) and third quarter (+3.5%) of 2018, which represented the country’s fastest half-year of GDP growth since 2014. Meanwhile, the US unemployment rate continued to drop, reaching 3.7% late in the period, a nearly 50-year low. (Sources: US Bureau of Economic Analysis and US Bureau of Labor Statistics.)

To combat potential inflation that can accelerate during periods of economic growth, the US Federal Reserve raised the federal funds rate by a quarter percentage point on four occasions during the Fund’s fiscal year, ending in a target range of 2.00% to 2.25%, up from a range of 1.00% to 1.25% a year earlier.

Outside the United States, the economic picture was more mixed, with momentum slowing in many countries and regions. Higher interest rates and a stronger US dollar proved to be headwinds for China and other emerging markets. Europe, meanwhile, struggled amid political challenges and a lack of economic catalysts.

Rising market volatility

The US equity market began the fiscal year on an up note benefiting from investors' optimism about the potential for new federal tax legislation, passed in late 2017, to boost corporate earnings before turning volatile and suddenly selling off in February 2018.

Even as the market soon resumed its upward path, volatility remained elevated throughout much of the remainder of the reporting period, reflecting rising concern about US inflation, nervousness about the imposition of US tariffs, and growing fears of

a trade war with China, among other challenges. In the fall of 2018, US stocks corrected sharply, with a significant late-period market correction wiping out many earlier gains. For the 12-month period, US large-cap value stocks, as measured by the Russell 1000[®] Value Index, gained 3.0%.

Meanwhile, high yield corporate bonds, as measured by the Bloomberg Barclays US Corporate High-Yield Index, gained 0.4%. Credit spreads widened over the fiscal year as investors demanded more income in exchange for purchasing riskier debt.

Investors in US real estate investment trusts (REITs) encountered often-challenging market conditions for the fiscal year. For the 12-month period, the US REIT market, as measured by the FTSE NAREIT Equity REITs Index, advanced 3.7%. We believe higher interest rates were a significant factor behind the REIT market's struggles for much of the period, even as the asset class benefited from falling long-term rates in the period's final weeks. Those real estate operators that saw the best share-price performance tended to be companies with relatively stable cash flows and the ability to generate solid internal growth.

Convertible securities, as reflected in the ICE BofAML US Convertible Index, gained 4.9%. We believe these hybrid securities, which display characteristics of both stocks and bonds, benefited from their yield component and more-defensive characteristics relative to equities in a volatile investment environment.

Individual contributors and detractors

The Fund's natural focus on yield-oriented investments was a headwind to performance during the fiscal year. For most of the 12-month period, investors tended to favor growth-oriented stocks, which are not well represented in the Fund's income-oriented portfolio.

American International Group Inc. hurt performance as the flattening yield curve created a negative backdrop for insurance companies. **ConocoPhillips** also detracted from performance as oil prices declined from \$75 a barrel to \$45.

Meanwhile, in the Fund's REIT portfolio, a position in **Brookdale Senior Living, Inc.**, an owner and operator of senior housing

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Portfolio management review

Delaware Investments® Dividend and Income Fund, Inc.

facilities, significantly hampered performance, as an oversupply of senior housing facilities continued to weigh on the group.

In contrast, several US-based holdings in the Fund's large-cap value subportfolio added to performance, including **Merck & Co. Inc.** and **Pfizer Inc.**, pharmaceutical manufacturers that reported favorable financial results; **Verizon Communications Inc.**, a telecommunication services provider that issued better-than-expected earnings; and software company **CA Inc.**, whose shares rose sharply in July after the company agreed to be acquired by semiconductor firm Broadcom.

Also, among real estate investments, the Fund benefited from its exposure to **STORE Capital Corp.** This and other triple-net REITs (meaning tenants are responsible for paying such real estate expenses as property taxes and utilities) have benefited from a favorable cost of capital, which positioned the companies to make growth-promoting acquisitions. Manufactured home community owner **Sun Communities Inc.** and apartment operator **NexPoint Residential Trust Inc.** also added value.

Sticking to our strategy

Throughout the Fund's fiscal year, we pursued the same management approach we apply in all market conditions: We continued to look across multiple asset classes for securities with competitive yield and the potential for dividend growth. In addition, we maintained our emphasis on managing downside risk in the portfolio and seeking to limit potential capital losses.

During the fiscal year, exposure to US large-cap value stocks increased from 54% at the start of the Fund's fiscal year to 59% at its end. The Fund's high yield bond allocation finished the fund's fiscal year at 31% of the Fund's net assets, down incrementally from a year earlier.

Meanwhile, our allocation to REITs and convertible securities drifted downward by a couple of percentage points each, finishing the fiscal year at 9% and 1% of the Fund's portfolio, respectively.

The shift in favor of equities this period reflected our view that large-cap value equities offered a better combination of yield and upside potential than other asset classes, including REITs, whose downside we believed was heightened by rising interest rates.

During the fiscal period, the Fund used foreign currency exchange contracts to facilitate the purchase and sale of securities in the Fund. These derivative securities did not have a material effect on performance during the fiscal year.

A final note: The Fund's use of leverage—a portfolio management tool designed to obtain a higher return on the Fund's investments—added to performance in light of the stock market's increase. Leverage magnifies the effect of gains and losses. As a result, leverage added to the Fund's results in a positive market environment.

Looking ahead with caution

At the end of the Fund's fiscal year, we had a somewhat cautious view about financial markets. Our perspective reflects what we see as the potential for diminished global economic growth, coupled with our view that stock valuations are relatively expensive. Another factor behind our somewhat defensive stance is a volatile US political backdrop, which has added a new layer of uncertainty to the investment process.

In this environment, we will continue to monitor economic and market conditions as we focus on providing a high level of income while seeking potential upside via income-generating securities across multiple asset classes.

Unless otherwise noted, views expressed herein are current as of Nov. 30, 2018, and subject to change after such date.

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Performance summary

Delaware Investments® Dividend and Income Fund, Inc.

The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that shares, when sold, may be worth more or less than their original cost. Current performance may be lower or higher than the performance quoted. Please obtain the most recent performance data by calling 866 437-0252 or visiting our website at delawarefunds.com/closed-end.

Fund performance

Average annual total returns through November 30, 2018

	1 year	5 years	10 years	Lifetime
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At market price (inception date March 26, 1993)	+27.97%	+13.38%	+21.46%	+9.29%
At net asset value (inception date March 26, 1993)	+2.55%	+8.70%	+16.97%	+9.09%

Diversification may not protect against market risk.

Fixed income securities and bond funds can lose value, and investors can lose principal, as interest rates rise. They also may be affected by economic conditions that hinder an issuer's ability to make interest and principal payments on its debt.

The Fund may also be subject to prepayment risk, the risk that the principal of a bond that is held by a portfolio will be prepaid prior to maturity, at the time when interest rates are lower than what the bond was paying. A portfolio may then have to reinvest that money at a lower interest rate.

High yielding, non-investment-grade bonds (junk bonds) involve higher risk than investment grade bonds.

Narrowly focused investments may exhibit higher volatility than investments in multiple industry sectors.

REIT investments are subject to many of the risks associated with direct real estate ownership, including changes in economic conditions, credit risk, and interest rate fluctuations.

The Fund may invest in derivatives, which may involve additional expenses and are subject to risk, including the risk that an underlying security or securities index moves in the opposite direction from what the portfolio manager anticipated. A derivatives transaction depends upon the counterparties' ability to fulfill their contractual obligations.

The Fund may experience portfolio turnover in excess of 100%, which could result in higher transaction costs and tax liability.

If and when the Fund invests in forward foreign currency contracts or uses other investments to hedge against currency risks, the Fund will be subject to special risks, including counterparty risk.

The Fund borrows through a line of credit for purposes of leveraging. Leveraging may result in higher degrees of volatility because the Fund's net asset value could be subject to fluctuations in short-term interest rates and changes in market value of portfolio securities attributable to leverage. Leverage magnifies the potential for gain and the risk of loss. As a result, a relatively small decline in the value of the underlying investments could result in a relatively large

loss. In addition, the leverage through the line of credit is dependent on the credit provider's ability to fulfill its contractual obligations.

Closed-end fund shares do not represent a deposit or obligation of, and are not guaranteed or endorsed by, any bank or other insured depository institution, and are not federally insured by the Federal Deposit Insurance Corporation or any other government agency.

Closed-end funds, unlike open-end funds, are not continuously offered. After being issued during a one-time-only public offering, shares of closed-end funds are sold in the open market through a securities exchange. Net asset value (NAV) is calculated by subtracting total liabilities by total assets, then dividing by the number of shares outstanding. At the time of sale, your shares may have a market price that is above or below NAV, and may be worth more or less than your original investment.

The Fund may make distributions of ordinary income and capital gains at calendar year end. Those distributions may temporarily cause extraordinarily high yields. There is no assurance that a Fund will repeat that yield in the future. Subsequent monthly distributions that do not include ordinary income or capital gains in the form of dividends will likely be lower.

The Fund performance table and the Performance of a \$10,000 investment graph do not reflect the deduction of taxes the shareholder would pay on Fund distributions or redemptions of Fund shares.

Returns reflect the reinvestment of all distributions. Dividends and distributions, if any, are assumed, for the purpose of this calculation to be reinvested at prices obtained under the Fund's dividend reinvestment policy. Shares of the Fund were initially offered with a sales charge of 6%. Performance since inception does not include the sales charge or any other brokerage commission for purchases made since inception.

Past performance is not a guarantee of future results.

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Performance summary

Delaware Investments® Dividend and Income Fund, Inc.

Fund basics

As of November 30, 2018

Fund objectives	Fund start date
The Fund's primary investment objective is to seek high current income; capital appreciation is a secondary objective.	March 26, 1993

Total Fund net assets	NYSE symbol
\$85 million	DDF

Number of holdings
295

Market price versus net asset value (see notes below and on next page)

November 30, 2017 through November 30, 2018

	Starting value (Nov. 30, 2017)	Ending value (Nov. 30, 2018)
Delaware Investments Dividend and Income Fund, Inc. @ market price	\$10.85	\$12.42
Delaware Investments Dividend and Income Fund, Inc. @ NAV	\$12.09	\$11.09

Past performance is not a guarantee of future results.

Table of Contents**Performance of a \$10,000 investment**

Average annual total returns from November 30, 2008 through November 30, 2018

	Starting value (Nov. 30, 2008)	Ending value (Nov. 30, 2018)
Delaware Investments Dividend and Income Fund, Inc. @ market price	\$ 10,000	\$69,880
Lipper Closed-end Income and Preferred Stock Funds Average @ market price	\$ 10,000	\$48,021
Delaware Investments Dividend and Income Fund, Inc. @ NAV	\$ 10,000	\$47,961
Lipper Closed-end Income and Preferred Stock Funds Average @ NAV	\$ 10,000	\$37,304

The Performance of a \$10,000 investment graph assumes \$10,000 invested in the Fund on Nov. 30, 2008, and includes the reinvestment of all distributions at market value. The graph assumes \$10,000 in the Lipper Closed-end Income and Preferred Stock Funds Average at market price and at NAV. Performance of the Fund and the Lipper class at market value is based on market performance during the period. Performance of the Fund and Lipper class at NAV is based on the fluctuations in NAV during the period. Delaware Investments Dividend and Income Fund, Inc. was initially offered with a sales charge of 6%. For market price, performance shown in both graphs above does not include fees, the initial sales charge, or any brokerage commissions on purchases. For NAV, performance shown in both graphs above includes fees, but does not include the initial sales charge or any brokerage commissions for purchases. Investments in the Fund are not available at NAV.

The Lipper Closed-end Income and Preferred Stock Funds Average represents the average return of closed-end funds that normally seek a high level of current income through investing in income-producing stocks, bonds, and money market instruments, or funds that invest primarily in preferred securities, often considering tax code implications (source: Lipper).

The Russell 1000 Value Index, mentioned on page 1, measures the performance of the large-cap value segment of the US equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.

The ICE BofAML US Convertible Index (formerly known as the BofA Merrill Lynch All US Convertibles Index), mentioned on page 1, tracks the performance of publicly issued US dollar-denominated convertible securities of US companies. Qualifying securities must have at least \$50 million face amount outstanding and at least one month remaining to the final conversion date.

The FTSE NAREIT Equity REITs Index, mentioned on page 1, measures the performance of all publicly traded equity real estate investment trusts (REITs) traded on US exchanges, excluding timber and infrastructure REITs.

The Bloomberg Barclays US Corporate High-Yield Index, mentioned on page 1, is composed of US dollar-denominated, non-investment-grade corporate bonds for which the middle rating among Moody's Investors Service, Inc., Fitch, Inc., and Standard & Poor's is Ba1/BB+/BB+ or below.

Frank Russell Company (Russell) is the source and owner of the trademarks, service marks, and copyrights related to the Russell Indexes. Russell® is a trademark of the Frank Russell Company.

Market price is the price an investor would pay for shares of the Fund on the secondary market.

NAV is the total value of one fund share, generally equal to a fund's net assets divided by the number of shares outstanding.

Past performance is not a guarantee of future results.

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Security type / sector allocations and top 10 equity holdings

Delaware Investments® Dividend and Income Fund, Inc.

As of November 30, 2018 (Unaudited)

Sector designations may be different than the sector designations presented in other Fund materials. The sector designations may represent the investment manager's internal sector classifications.

Security type / sector	Percentage of net assets
Common Stock	94.66%
Communication Services	5.48%
Consumer Discretionary	5.13%
Consumer Staples	5.60%
Diversified REITs	1.20%
Energy	8.66%
Financials	11.79%
Healthcare	24.86%
Healthcare REITs	0.55%
Hotel REITs	0.98%
Industrial REITs	0.63%
Industrials	7.88%
Information Technology	8.15%
Mall REIT	0.49%
Manufactured Housing REIT	0.17%
Materials	2.57%
Multifamily REITs	5.92%
Office REITs	0.63%
Self-Storage REITs	0.66%
Shopping Center REITs	0.26%
Single Tenant REIT	0.50%
Utilities	2.55%
Convertible Preferred Stock	1.38%
Convertible Bonds	6.40%
Capital Goods	0.77%
Communications	0.67%
Consumer Cyclical	0.27%
Consumer Non-Cyclical	1.13%
Electric	0.35%
Energy	0.68%
Financials	0.69%

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REITs	0.59%
Services	0.12%
Technology	1.13%
	Percentage
Security type / sector	of net assets
Corporate Bonds	34.59%
Banking	2.00%
Basic Industry	5.20%
Capital Goods	1.51%
Consumer Cyclical	1.03%
Consumer Non-Cyclical	0.94%
Energy	6.21%
Financials	0.65%
Healthcare	3.03%
Insurance	0.47%
Media	4.06%
Services	3.76%
Technology & Electronics	1.51%
Telecommunications	2.19%
Transportation	0.64%
Utilities	1.39%
Preferred Stock	0.45%
Warrant	0.00%
Short-Term Investments	7.87%
Total Value of Securities	145.35%
Borrowing Under Line of Credit	(46.92%)
Receivables and Other Assets Net of Liabilities	1.57%
Total Net Assets	100.00%

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Holdings are for informational purposes only and are subject to change at any time. They are not a recommendation to buy, sell, or hold any security.

	Percentage of
Top 10 Equity Holdings	net assets
Merck & Co.	3.03%
Waste Management	3.01%
Abbott Laboratories	2.99%
Mondelez International Class A	2.94%
Verizon Communications	2.94%
Express Scripts Holding	2.90%
Equity Residential	2.87%
Cardinal Health	2.86%
Pfizer	2.85%
Johnson & Johnson	2.84%

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Schedule of investments

Delaware Investments® Dividend and Income Fund, Inc.

November 30, 2018

	Number of shares	Value (US \$)
Common Stock 94.66%		
Communication Services 5.48%		
AT&T	69,400	\$ 2,168,057
Century Communications=	500,000	0
Verizon Communications	41,500	2,502,450
		4,670,507
Consumer Discretionary 5.13%		
Dollar Tree	26,900	2,334,113
Lowes	21,600	2,038,392
		4,372,505
Consumer Staples 5.60%		
Archer Daniels Midland	49,100	2,259,582
Mondelez International Class A	55,800	2,509,884
		4,769,466
Diversified REITs 1.20%		
Equinix	200	77,056
Fibra Uno Administracion	88,100	88,733
Lexington Realty Trust	23,000	201,940
Tritax EuroBox 144A #	384,094	473,968
Vornado Realty Trust	2,565	184,577
		1,026,274
Energy 8.66%		
ConocoPhillips	30,900	2,044,962
Halliburton	26,000	817,180
Marathon Oil	136,800	2,283,192
Occidental Petroleum	31,800	2,234,586

			7,379,920
Financials 11.79%			
Allstate		22,400	1,997,856
American International Group		24,500	1,059,625
Bank of New York Mellon		45,400	2,329,474
BB&T		44,600	2,279,060
Marsh & McLennan		26,900	2,386,030
			10,052,045
Healthcare 24.86%			
Abbott Laboratories		34,400	2,547,320
Brookdale Senior Living		240,100	2,052,855
Cardinal Health		44,400	2,434,452
CVS Health		29,400	2,357,880
Express Scripts Holding		24,400	2,475,868
Johnson & Johnson		16,500	2,423,850
Merck & Co.		32,600	2,586,484
Pfizer		52,489	2,426,566
Quest Diagnostics		21,300	1,886,541
			21,191,816
		Number of shares	Value (US \$)
Common Stock (continued)			
Healthcare REITs 0.55%			
Assura		269,626	\$ 183,467
HCP		4,200	122,892
Sabra Health Care REIT		3,000	57,870
Welltower		1,500	108,495
			472,724
Hotel REITs 0.98%			
Hospitality Properties Trust		4,700	126,148
MGM Growth Properties Class A		15,000	427,350
Summit Hotel Properties		25,600	285,440
			838,938
Industrial REITs 0.63%			
Liberty Property Trust		2,700	122,283
Terreno Realty		10,600	413,506
			535,789

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Industrials 7.88%		
Northrop Grumman	8,200	2,131,016
Raytheon	11,500	2,016,410
Waste Management	27,400	2,568,750
		6,716,176
Information Technology 8.15%		
Cisco Systems	47,600	2,278,612
Intel	48,900	2,411,259
Oracle	46,300	2,257,588
		6,947,459
Mall REIT 0.49%		
Simon Property Group	2,247	417,245
		417,245
Manufactured Housing REIT 0.17%		
Sun Communities	1,400	145,740
		145,740
Materials 2.57%		
DowDuPont	37,888	2,191,821
		2,191,821
Multifamily REITs 5.92%		
ADO Properties 144A #	9,989	544,057
Ares Management Class A	12,800	287,232
Bluerock Residential Growth REIT	11,500	104,650
Brookfield Property Partners	2	35
Equity Residential	34,357	2,447,936
Essential Properties Realty Trust	30,400	430,160
Gecina	765	107,108

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	Number of shares	Value (US \$)
Common Stock (continued)		
Multifamily REITs (continued)		
Grainger	51,940	\$ 168,044
Invitation Homes	12,200	261,812
NexPoint Residential Trust	3,000	109,470
Safety Income & Growth	23,600	465,864
Vonovia	2,481	120,622
		5,046,990
Office REITs 0.63%		
Columbia Property Trust	10,300	221,141
Easterly Government Properties	17,400	317,028
		538,169
Self Storage REITs 0.66%		
National Storage Affiliates Trust	20,100	562,197
		562,197
Shopping Center REITs 0.26%		
Brixmor Property Group	6,400	105,600
First Capital Realty	7,981	118,575
		224,175
Single Tenant REIT 0.50%		
Spirit Realty Capital	10,700	79,394
STORE Capital	11,500	344,540
		423,934

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Utilities 2.55%

Edison International	39,300	2,174,076
		2,174,076

Total Common Stock

(cost \$60,103,367) **80,697,966**

Convertible Preferred Stock 1.38%

A Schulman 6.00% exercise price \$52.33 y	199	205,467
AMG Capital Trust II 5.15% exercise price \$198.02, maturity date 10/15/37	2,953	155,790
Bank of America 7.25% exercise price \$50.00 y	155	198,400
El Paso Energy Capital Trust I 4.75% exercise price \$34.49, maturity date 3/31/28	5,250	232,207
QTS Realty Trust 6.50% exercise price \$47.03 y	1,220	123,818
SITE Centers 6.50% exercise price \$25.00 y	2,500	57,500

Value
Number of
shares **(US \$)**

Convertible Preferred Stock (continued)

Wells Fargo & Co. 7.50% exercise price \$156.71 y	159	\$ 200,936
---	-----	------------

Total Convertible Preferred Stock

(cost \$1,054,963) **1,174,118**

Principal
amount^o

Convertible Bonds 6.40%

Capital Goods 0.77%

Aerojet Rocketdyne Holdings 2.25% exercise price \$26.00, maturity date 12/15/23	51,000	74,967
Cemex 3.72% exercise price \$11.01, maturity date 3/15/20	180,000	177,064
Chart Industries 144A 1.00% exercise price \$58.73, maturity date 11/15/24 #	133,000	163,114
Dycom Industries 0.75% exercise price \$96.89, maturity date 9/15/21	80,000	79,463
Tesla Energy Operations 1.625% exercise price \$759.35, maturity date 11/1/19	174,000	163,650
		658,258

Communications 0.67%

DISH Network 2.375% exercise price \$82.22, maturity date 3/15/24	181,000	151,126
3.375% exercise price \$65.18, maturity date 8/15/26	115,000	101,246
GCI Liberty 144A 1.75% exercise price \$370.52, maturity date 9/30/46 #	173,000	183,159
Liberty Media 2.25% exercise price \$35.14, maturity date 9/30/46	260,000	135,353
		570,884

Consumer Cyclical 0.27%

Huron Consulting Group 1.25% exercise price \$79.89, maturity date 10/1/19	151,000	150,094
Meritor 3.25% exercise price \$39.92, maturity date 10/15/37	88,000	79,007
		229,101

Consumer Non Cyclical 1.13%

Insulet 144A 1.375% exercise price \$93.18, maturity date 11/15/24 #	69,000	75,435
Medicines 2.75% exercise price \$48.97, maturity date 7/15/23	183,000	151,128

(continues)

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Schedule of investments

Delaware Investments® Dividend and Income Fund, Inc.

	Principal amount ^o	Value (US \$)
Convertible Bonds (continued)		
Consumer Non Cyclical (continued)		
Neurocrine Biosciences 2.25% exercise price \$75.92, maturity date 5/15/24	131,000	\$ 176,031
Paratek Pharmaceuticals 144A 4.75% exercise price \$15.90, maturity date 5/1/24 #	160,000	137,699
Retrophin 2.50% exercise price \$38.80, maturity date 9/15/25	29,000	26,793
Spectrum Pharmaceuticals 2.75% exercise price \$10.53, maturity date 12/15/18	40,000	54,976
Vector Group 1.75% exercise price \$21.28, maturity date 4/15/20 ·	262,000	268,230
2.50% exercise price \$13.81, maturity date 1/15/19 ·	72,000	74,209
		964,501
Electric 0.35%		
Cree 144A 0.875% exercise price \$59.97, maturity date 9/1/23 #	165,000	162,495
NRG Energy 144A 2.75% exercise price \$47.74, maturity date 6/1/48 #	128,000	137,491
		299,986
Energy 0.68%		
Cheniere Energy 4.25% exercise price \$138.38, maturity date 3/15/45	259,000	194,634
Helix Energy Solutions Group 4.125% exercise price \$9.47, maturity date 9/15/23	7,000	7,856
4.25% exercise price \$13.89, maturity date 5/1/22	218,000	221,837
PDC Energy 1.125% exercise price \$85.39, maturity date 9/15/21	172,000	158,978
		583,305
Financials 0.69%		
Ares Capital 3.75% exercise price \$19.39, maturity date 2/1/22	200,000	201,302
GAIN Capital Holdings 5.00% exercise price \$8.20, maturity date 8/15/22	154,000	173,250
New Mountain Finance 5.00% exercise price \$15.80, maturity date 6/15/19	212,000	212,963
		587,515
	Principal amount ^o	Value

(US \$)

Convertible Bonds (continued)

REITs 0.59%

Blackstone Mortgage Trust 4.375% exercise price \$35.67, maturity date 5/5/22	39,000	\$	39,169
4.75% exercise price \$36.23, maturity date 3/15/23	134,000		134,651
Spirit Realty Capital 3.75% exercise price \$11.50, maturity date 5/15/21	246,000		243,690
VEREIT 3.75% exercise price \$14.99, maturity date 12/15/20	83,000		82,534
			500,044

Services 0.12%

Team 5.00% exercise price \$21.70, maturity date 8/1/23	93,000		99,150
			99,150

Technology 1.13%

Boingo Wireless 144A 1.00% exercise price \$42.32, maturity date 10/1/23 #	98,000		89,210
CSG Systems International 4.25% exercise price \$57.09, maturity date 3/15/36	139,000		142,347
Knowles 3.25% exercise price \$18.43, maturity date 11/1/21	147,000		160,498
Microchip Technology 1.625% exercise price \$97.55, maturity date 2/15/27	15,000		15,193
PROS Holdings 2.00% exercise price \$48.63, maturity date 6/1/47	137,000		128,876
Synaptics 0.50% exercise price \$73.02, maturity date 6/15/22	174,000		153,900
Verint Systems 1.50% exercise price \$64.46, maturity date 6/1/21	167,000		165,975
Vishay Intertechnology 144A 2.25% exercise price \$31.49, maturity date 6/15/25 #	113,000		106,365
			962,364

Total Convertible Bonds

(cost \$5,484,770)			5,455,108
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Corporate Bonds 34.59%

Banking 2.00%

Ally Financial 5.75% 11/20/25	305,000		312,625
Credit Suisse Group 144A 6.25% #μy	200,000		190,582
Lloyds Banking Group 7.50% μy	330,000		313,427
Popular 6.125% 9/14/23	280,000		280,350
Royal Bank of Scotland Group 8.625% μy	400,000		413,000

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	Principal amount^o	Value (US \$)
Corporate Bonds (continued)		
Banking (continued)		
UBS Group Funding Switzerland 6.875% μ y	200,000	\$ 194,244
		1,704,228
Basic Industry 5.20%		
BMC East 144A 5.50% 10/1/24 #	125,000	117,656
Boise Cascade 144A 5.625% 9/1/24 #	400,000	386,000
Builders FirstSource 144A 5.625% 9/1/24 #	170,000	156,825
Chemours 5.375% 5/15/27	190,000	172,425
FMG Resources August 2006		
144A 4.75% 5/15/22 #	105,000	101,194
144A 5.125% 5/15/24 #	180,000	168,300
Freeport McMoRan		
4.55% 11/14/24	170,000	158,525
6.875% 2/15/23	340,000	355,300
Hudbay Minerals		
144A 7.25% 1/15/23 #	20,000	20,125
144A 7.625% 1/15/25 #	180,000	179,550
IAMGOLD 144A 7.00% 4/15/25 #	20,000	19,000
Joseph T Ryerson & Son 144A 11.00% 5/15/22 #	110,000	117,425
Koppers 144A 6.00% 2/15/25 #	215,000	193,500
Lennar		
4.50% 4/30/24	195,000	187,200
4.75% 5/30/25	95,000	90,487
M/I Homes 5.625% 8/1/25	20,000	18,500
New Enterprise Stone & Lime 144A 10.125% 4/1/22 #	30,000	31,050
NOVA Chemicals		
144A 5.00% 5/1/25 #	130,000	121,713
144A 5.25% 6/1/27 #	300,000	276,000
Novelis 144A 6.25% 8/15/24 #	241,000	239,193
Olin		

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5.00% 2/1/30	175,000	156,406
5.125% 9/15/27	195,000	184,090
PulteGroup 5.00% 1/15/27	100,000	93,250
Standard Industries 144A 6.00% 10/15/25 #	50,000	48,937
Steel Dynamics 5.00% 12/15/26	190,000	183,113
Tronox Finance 144A 5.75% 10/1/25 #	225,000	191,813
William Lyon Homes 6.00% 9/1/23	20,000	18,450
Zekelman Industries 144A 9.875% 6/15/23 #	415,000	443,013

4,429,040

**Principal
amount^o** **Value
(US \$)**

Corporate Bonds (continued)

Capital Goods 1.51%		
Ardagh Packaging Finance 144A 6.00% 2/15/25 #	240,000	\$ 224,100
Bombardier 144A 6.00% 10/15/22 #	235,000	223,861
BWAY Holding		
144A 5.50% 4/15/24 #	310,000	297,987
144A 7.25% 4/15/25 #	105,000	95,681
Crown Americas 144A 4.75% 2/1/26 #	285,000	275,395
TransDigm 6.375% 6/15/26	170,000	166,369

1,283,393

Consumer Cyclical 1.03%		
AMC Entertainment Holdings 6.125% 5/15/27	225,000	200,250
GLP Capital 5.375% 4/15/26	110,000	110,118
Golden Nugget 144A 8.75% 10/1/25 #	40,000	40,300
MGM Resorts International 5.75% 6/15/25	180,000	177,975
Penn National Gaming 144A 5.625% 1/15/27 #	215,000	198,337
Penske Automotive Group 5.50% 5/15/26	160,000	148,600

875,580

Consumer Non Cyclical 0.94%		
Charles River Laboratories International 144A 5.50% 4/1/26 #	40,000	40,100
Cott Holdings 144A 5.50% 4/1/25 #	260,000	251,550
JBS USA		
144A 5.75% 6/15/25 #	215,000	208,819
144A 6.75% 2/15/28 #	20,000	19,475
Pilgrim s Pride 144A 5.75% 3/15/25 #	20,000	19,550
Post Holdings		
144A 5.00% 8/15/26 #	100,000	92,250
144A 5.625% 1/15/28 #	180,000	167,850

799,594

Energy	6.21%		
AmeriGas Partners			
5.625%	5/20/24	10,000	9,550
5.875%	8/20/26	240,000	225,000
Antero Resources			
5.625%	6/1/23	117,000	116,415
Cheniere Corpus Christi Holdings			
5.125%	6/30/27	40,000	38,850
5.875%	3/31/25	80,000	82,600
7.00%	6/30/24	100,000	108,000

(continues)

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Schedule of investments

Delaware Investments® Dividend and Income Fund, Inc.

	Principal amount^o	Value (US \$)
Corporate Bonds (continued)		
Energy (continued)		
Cheniere Energy Partners 5.25% 10/1/25	175,000	\$ 171,063
Chesapeake Energy		
7.00% 10/1/24	170,000	158,950
8.00% 1/15/25	100,000	96,625
Crestwood Midstream Partners 5.75% 4/1/25	210,000	202,650
Diamond Offshore Drilling 7.875% 8/15/25	30,000	26,925
Diamondback Energy 4.75% 11/1/24	190,000	184,775
Energy Transfer 5.50% 6/1/27	115,000	115,000
EnSCO 7.75% 2/1/26	30,000	24,863
Genesis Energy		
6.50% 10/1/25	40,000	36,600
6.75% 8/1/22	294,000	293,265
Gulfport Energy		
6.375% 5/15/25	10,000	9,113
6.375% 1/15/26	145,000	129,775
6.625% 5/1/23	200,000	195,500
Hilcorp Energy I 144A 5.00% 12/1/24 #	97,000	88,513
Laredo Petroleum 6.25% 3/15/23	235,000	220,313
Murphy Oil 6.875% 8/15/24	500,000	510,667
Murphy Oil USA 5.625% 5/1/27	415,000	405,403
Newfield Exploration 5.375% 1/1/26	275,000	274,656
NuStar Logistics 5.625% 4/28/27	160,000	151,800
Precision Drilling 144A 7.125% 1/15/26 #	40,000	37,300
QEP Resources		
5.25% 5/1/23	190,000	181,925
5.625% 3/1/26	285,000	261,487
Southwestern Energy		
6.20% 1/23/25	270,000	259,537
7.75% 10/1/27	50,000	50,810
Summit Midstream Holdings 5.75% 4/15/25	10,000	9,500
Targa Resources Partners		
5.375% 2/1/27	300,000	289,500
144A 5.875% 4/15/26 #	20,000	20,000

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Transocean 144A 9.00% 7/15/23 #	200,000	205,125
Transocean Proteus 144A 6.25% 12/1/24 #	76,500	75,353
Whiting Petroleum 6.625% 1/15/26	30,000	29,025

5,296,433

**Principal
amount^o** **Value
(US \$)**

Corporate Bonds (continued)

Financials 0.65%

AerCap Global Aviation Trust 144A 6.50% 6/15/45 #μ	200,000	\$ 192,000
E*TRADE Financial 5.875% μy	180,000	173,250
Vantiv 144A 4.375% 11/15/25 #	200,000	187,000

552,250

Healthcare 3.03%

CHS 6.25% 3/31/23	25,000	23,281
DaVita 5.00% 5/1/25	180,000	169,875

Encompass Health

5.75% 11/1/24	295,000	296,475
5.75% 9/15/25	120,000	119,550

HCA

5.375% 2/1/25	405,000	408,544
5.875% 2/15/26	120,000	123,900
7.58% 9/15/25	80,000	86,800

Hill Rom Holdings

144A 5.00% 2/15/25 #	180,000	176,400
144A 5.75% 9/1/23 #	110,000	112,200

Hologic 144A 4.625% 2/1/28 #

	160,000	150,499
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MPH Acquisition Holdings 144A 7.125% 6/1/24 #

	192,000	191,760
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Polaris Intermediate 144A PIK 8.50% 12/1/22 #T

	10,000	9,987
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Service Corp. International 4.625% 12/15/27

	159,000	148,665
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Surgery Center Holdings

144A 6.75% 7/1/25 #	20,000	18,625
144A 8.875% 4/15/21 #	30,000	30,600

Tenet Healthcare

5.125% 5/1/25	175,000	166,359
8.125% 4/1/22	155,000	161,200

WellCare Health Plans 144A 5.375% 8/15/26 #

	190,000	189,084
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2,583,804

Insurance 0.47%

AssuredPartners 144A 7.00% 8/15/25 #	40,000	37,950
HUB International 144A 7.00% 5/1/26 #	50,000	47,750
NFP 144A 6.875% 7/15/25 #	40,000	38,100
USIS Merger Sub 144A 6.875% 5/1/25 #	295,000	280,987

		404,787
Media 4.06%		
Altice France 144A 7.375% 5/1/26 #	200,000	192,750
AMC Networks 4.75% 8/1/25	200,000	186,508

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	Principal amount^o	Value (US \$)
Corporate Bonds (continued)		
Media (continued)		
CCO Holdings		
144A 5.125% 5/1/27 #	120,000	\$ 114,000
144A 5.50% 5/1/26 #	30,000	29,287
144A 5.75% 2/15/26 #	160,000	160,402
144A 5.875% 5/1/27 #	360,000	355,050
CSC Holdings		
6.75% 11/15/21	230,000	241,500
144A 7.75% 7/15/25 #	200,000	209,996
Gray Television 144A 5.875% 7/15/26 #	290,000	282,750
Lamar Media 5.75% 2/1/26	167,000	170,549
Radiate Holdco 144A 6.625% 2/15/25 #	20,000	18,050
Sinclair Television Group 144A 5.125% 2/15/27 #	195,000	174,525
Sirius XM Radio		
144A 5.00% 8/1/27 #	395,000	373,275
144A 5.375% 4/15/25 #	205,000	202,437
Tribune Media 5.875% 7/15/22	170,000	172,975
UPC Holding 144A 5.50% 1/15/28 #	200,000	182,500
Virgin Media Secured Finance 144A 5.25% 1/15/26 #	200,000	188,000
VTR Finance 144A 6.875% 1/15/24 #	200,000	203,500
		3,458,054
Services 3.76%		
Advanced Disposal Services 144A 5.625% 11/15/24 #	215,000	212,313
Aramark Services 144A 5.00% 2/1/28 #	65,000	61,913
Ashtead Capital 144A 5.25% 8/1/26 #	200,000	197,000
Avis Budget Car Rental 144A 6.375% 4/1/24 #	160,000	156,928
Covanta Holding 5.875% 7/1/25	210,000	198,450
ESH Hospitality 144A 5.25% 5/1/25 #	290,000	278,037
GEO Group		
5.875% 1/15/22	500,000	492,255

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5.875% 10/15/24	65,000	58,825
6.00% 4/15/26	150,000	133,687
Iron Mountain US Holdings 144A 5.375% 6/1/26 #	357,000	331,564
KAR Auction Services 144A 5.125% 6/1/25 #	95,000	89,300
Prime Security Services Borrower 144A 9.25% 5/15/23 #	411,000	436,687

Value
Principal
amount^o (US \$)

Corporate Bonds (continued)

Services (continued)

Scientific Games International 10.00% 12/1/22	530,000	\$ 552,127
TMS International 144A 7.25% 8/15/25 #	10,000	9,825

3,208,911

Technology & Electronics 1.51%

CDK Global		
5.00% 10/15/24	175,000	174,125
5.875% 6/15/26	260,000	259,025
CDW Finance 5.00% 9/1/25	95,000	92,981
First Data 144A 5.75% 1/15/24 #	350,000	352,625
Infor US 6.50% 5/15/22	185,000	184,769
RP Crown Parent 144A 7.375% 10/15/24 #	20,000	20,325
Sensata Technologies UK Financing 144A 6.25% 2/15/26 #	200,000	204,378

1,288,228

Telecommunications 2.19%

CyrusOne 5.375% 3/15/27	170,000	167,025
Level 3 Financing 5.375% 5/1/25	322,000	314,353
SBA Communications 4.875% 9/1/24	235,000	229,419
Sprint 7.125% 6/15/24	190,000	193,325
7.625% 3/1/26	10,000	10,275
7.875% 9/15/23	103,000	108,407
Sprint Communications 7.00% 8/15/20	136,000	141,100
T Mobile USA 6.50% 1/15/26	305,000	317,200

Zayo Group

144A 5.75% 1/15/27 #	75,000	71,813
6.375% 5/15/25	315,000	310,275

1,863,192

Transportation 0.64%

DAE Funding 144A 5.75% 11/15/23 #	350,000	344,750
XPO Logistics 144A 6.125% 9/1/23 #	201,000	203,010

547,760

Utilities 1.39%

AES		
5.50% 4/15/25	160,000	162,000
6.00% 5/15/26	25,000	25,875
Calpine		
144A 5.25% 6/1/26 #	190,000	177,413
5.50% 2/1/24	100,000	92,625
5.75% 1/15/25	160,000	147,600

(continues)

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Schedule of investments

Delaware Investments® Dividend and Income Fund, Inc.

	Principal amount^o	Value (US \$)
Corporate Bonds (continued)		
Utilities (continued)		
Calpine		
144A 5.875% 1/15/24 #	20,000	\$ 20,050
Emera 6.75% 6/15/76 μ	180,000	184,590
Enel 144A 8.75% 9/24/73 #μ	200,000	210,500
Vistra Energy 144A 8.00% 1/15/25 #	158,000	168,270
		1,188,923
Total Corporate Bonds (cost \$30,483,209)		29,484,177
	Number of shares	
Preferred Stock 0.45%		
Bank of America 6.50% μy	220,000	230,175
GMAC Capital Trust I 8.401% (LIBOR03M + 5.785%) 2/15/40	2,000	51,000
Washington Prime Group 6.875% y	5,800	104,168
Total Preferred Stock (cost \$401,122)		385,343
Warrant 0.00%		
Wheeler Real Estate Investment Trust strike price \$44.00, expiration date 4/29/19	7,617	76
Total Warrant (cost \$63)		76

	Principal amount ^o		Value (US \$)
Short Term Investments 7.87%			
Discount Note 2.61% [≠]			
Federal Home Loan Bank 1.333% 12/3/18	2,223,422		2,223,423
			2,223,423
Repurchase Agreements 5.26%			
Bank of America Merrill Lynch 2.20%, dated 11/30/18, to be repurchased on 12/3/18, repurchase price \$542,398 (collateralized by US government obligations 1.50% 1.75% 12/31/20 2/28/23; market value \$553,145)	542,298		542,298
	Principal amount^o		Value (US \$)
Short Term Investments (continued)			
Repurchase Agreements (continued)			
Bank of Montreal 2.15%, dated 11/30/18, to be repurchased on 12/3/18, repurchase price \$1,491,587 (collateralized by US government obligations 0.00% 3.75% 12/6/18 11/15/47; market value \$1,521,147)	1,491,320	\$	1,491,320
BNP Paribas 2.25%, dated 11/30/18, to be repurchased on 12/3/18, repurchase price \$2,452,792 (collateralized by US government obligations 0.00% 2.875% 3/31/20 8/15/46; market value \$2,501,380)	2,452,333		2,452,333
			4,485,951
Total Short Term Investments (cost \$6,709,127)			6,709,374
Total Value of Securities 145.35% (cost \$104,236,621)		\$	123,906,162

Security exempt from registration under Rule 144A of the Securities Act of 1933, as amended. At Nov. 30, 2018, the aggregate value of Rule 144A securities was \$15,552,580, which represents 18.24% of the Fund's net assets. See Note 11 in Notes to financial statements.

T PIK. 100% of the income received was in the form of cash.

= The value of this security was determined using significant unobservable inputs and is reported as a Level 3 security in the disclosure table located in Note 3 in Notes to financial statements.

≠ The rate shown is the effective yield at the time of purchase.

o Principal amount shown is stated in USD unless noted that the security is denominated in another currency.

- μ Fixed to variable rate investment. The rate shown reflects the fixed rate in effect at Nov. 30, 2018. Rate will reset at a future date.
- y No contractual maturity date.
Non income producing security.
- Variable rate investment. Rates reset periodically. Rate shown reflects the rate in effect at Nov. 30, 2018. For securities based on a published reference rate and spread, the reference rate and spread are indicated in their description above. The reference rate descriptions (i.e. LIBOR03M, LIBOR06M, etc.) used in this report are identical for different securities, but the underlying reference rates may differ due to the timing of

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the reset period. Certain variable rate securities are not based on a published reference rate and spread but are determined by the issuer or agent and are based on current market conditions, or for mortgage-backed securities, are impacted by the individual mortgages which are paying off over time. These securities do not indicate a reference rate and spread in their description above.

Summary of abbreviations:

ICE Intercontinental Exchange

LIBOR London Interbank Offered Rate

LIBOR03M ICE LIBOR USD 3 Month

LIBOR06M ICE LIBOR USD 6 Month

PIK Pay-in-kind

REIT Real Estate Investment Trust

USD US Dollar

See accompanying notes, which are an integral part of the financial statements.

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Statement of assets and liabilities

Delaware Investments® Dividend and Income Fund, Inc.

November 30, 2018

Assets:

Investments, at value ¹	\$ 123,906,162
Cash	932,827
Foreign currencies, at value ²	216,231
Dividends and interest receivable	678,685
Receivable for securities sold	17,932
Foreign tax reclaims receivable	6,344
Other assets ³	65,058
Total assets	125,823,239

Liabilities:

Borrowing under line of credit	40,000,000
Contingent liabilities ³	216,859
Payable for securities purchased	187,443
Other accrued expenses	87,584
Investment management fees payable to affiliates	56,455
Interest expense payable on line of credit	21,000
Legal fees payable to affiliates	8,727
Accounting and administration expenses payable to affiliates	719
Directors' fees and expenses payable to affiliates	677
Reports and statements to shareholders expenses payable to affiliates	73
Total liabilities	40,579,537

Total Net Assets **\$ 85,243,702**

Net Assets Consist of:

Common stock, \$0.01 par value, 500,000,000 shares authorized to the Fund	\$ 65,099,486
Total distributable earnings (loss)	20,144,216

Total Net Assets **\$ 85,243,702**

Net Asset Value**Common Shares**

Net assets	\$ 85,243,702
Shares of beneficial interest outstanding	7,688,159
Net asset value per share	\$ 11.09

¹ Investments, at cost	\$ 104,236,621
² Foreign currencies, at cost	226,347

³ See Note 13 in Notes to financial statements.

See accompanying notes, which are an integral part of the financial statements.

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Statement of operations

Delaware Investments® Dividend and Income Fund, Inc.

Year ended November 30, 2018

Investment Income:

Interest	\$ 2,316,173
Dividends	2,021,419
Foreign tax withheld	(5,333)
	4,332,259

Expenses:

Interest expense	1,097,000
Management fees	712,022
Reports and statements to shareholders expenses	85,827
Legal fees	76,570
Dividend disbursing and transfer agent fees and expenses	72,898
Accounting and administration expenses	55,346
Audit and tax fees	43,430
Custodian fees	4,532
Directors fees and expenses	4,267
Registration fees	830
Other expenses	62,374
	2,215,096
Less expense paid indirectly	(131)
Total operating expenses	2,214,965
Net Investment Income	2,117,294

Net Realized and Unrealized Gain (Loss):

Net realized gain (loss) on:	
Investments	6,211,364
Foreign currencies	(6,998)
Foreign currency exchange contracts	2,375
Net realized gain	6,206,741
Net change in unrealized appreciation (depreciation) of:	
Investments	(6,069,872)
Foreign currencies	(9,708)

Net change in unrealized appreciation (depreciation)	(6,079,580)
Net Realized and Unrealized Gain	127,161
Net Increase in Net Assets Resulting from Operations	\$ 2,244,455

See accompanying notes, which are an integral part of the financial statements.

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Statements of changes in net assets

Delaware Investments® Dividend and Income Fund, Inc.

	Year ended	
	11/30/18	11/30/17
Increase (Decrease) in Net Assets from Operations:		
Net investment income	\$ 2,117,294	\$ 2,685,667
Net realized gain	6,206,741	3,873,819
Net change in unrealized appreciation (depreciation)	(6,079,580)	6,043,995
Net increase in net assets resulting from operations	2,244,455	12,603,481
Dividends and Distributions to Shareholders from:		
Distributable earnings*	(9,916,955)	(3,803,615)
	(9,916,955)	(3,803,615)
Capital Share Transactions:		
Cost of shares repurchased ¹		(4,548,154)
Decrease in net assets derived from capital share transactions		(4,548,154)
Net Increase (Decrease) in Net Assets	(7,672,500)	4,251,712
Net Assets:		
Beginning of year	92,916,202	88,664,490
End of year²	\$ 85,243,702	\$ 92,916,202

¹See Note 6 in Notes to financial statements.²Net Assets End of year includes distributions in excess of net investment income of \$47,229 in 2017. The Securities and Exchange Commission eliminated the requirement to disclose undistributed (distributions in excess of) net investment income in 2018.

*For the year ended Nov. 30, 2018, the Fund has adopted amendments to Regulation S-X (see Note 14 in Notes to financial statements). For the year ended Nov. 30, 2017, the dividends and distributions to shareholders were from net investment income and totaled \$(3,803,615).

See accompanying notes, which are an integral part of the financial statements.

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Statement of cash flows

Delaware Investments® Dividend and Income Fund, Inc.

Year ended November 30, 2018

Net Cash (including Foreign Currency) Provided by (Used for) Operating Activities:

Net increase (decrease) in net assets resulting from operations	\$ 2,244,455
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Adjustments to reconcile net increase (decrease) in net assets from operations to cash provided by (used for) operating activities:

Amortization of premium and accretion of discount on investments, net	28,885
Proceeds from disposition of investment securities	44,439,153
Purchase of investment securities	(35,885,393)
(Purchase) Proceeds from disposition of short-term investment securities, net	(347,160)
Net realized (gain) loss on investments	(6,211,364)
Net change in unrealized (appreciation) depreciation of investments	6,069,872
Net change in unrealized (appreciation) depreciation of foreign currencies	9,708
(Increase) Decrease in receivable for securities sold	626,289
(Increase) Decrease in dividends and interest receivable	97,642
Return of capital distributions on investments	171,973
(Increase) Decrease in foreign tax reclaims receivable	326
Increase (Decrease) in payable for securities purchased	(326,181)
Increase (Decrease) in Directors' fees and expenses payable to affiliates	57
Increase (Decrease) in accounting and administration expenses payable to affiliates	(20)
Increase (Decrease) in investment management fees payable to affiliates	(2,774)
Increase (Decrease) in reports and statements to shareholders expenses payable to affiliates	3
Increase (Decrease) in legal fees payable to affiliates	8,142
Increase (Decrease) in other accrued expenses	(58,098)
Increase (Decrease) in interest expense payable on line of credit	9,278

Total adjustments	8,630,338
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Net cash provided by (used for) operating activities	10,874,793
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Cash provided by (used for) financing activities:

Cash dividends and distributions paid to shareholders	(9,916,955)
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Net cash provided by (used for) financing activities	(9,916,955)
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Effect of exchange rates on cash	(9,708)
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