

Connor, Clark & Lunn Real Return Income Fund Declares Monthly Distribution

Toronto, March 17, 2009

Connor, Clark & Lunn Real Return Income Fund (the “Fund”) today announced a monthly cash distribution of \$0.02083 per unit. The distribution amount represents an annualized current yield of 3.7% based on the closing market price on March 16, 2009. The distribution will be paid on April 15, 2009 to unitholders of record at the close of business on March 31, 2009. Distributions paid by the Fund are floating and monthly targets are established on a quarterly basis.

The anticipated monthly distribution rate for the second quarter of 2009 is \$0.02083 per unit, compared to \$0.03125 per unit since October 2007. Distributions paid by the Fund are expected to consist primarily of tax-advantaged return of capital. Based on the Fund’s closing price on March 16, 2009, the new distribution rate represents an annualized pre-tax current yield of approximately 3.7% and a pre-tax interest equivalent yield of 5.3%.

After a significant increase in the first half of 2008, inflation, driven by the decline in commodity prices, dropped off dramatically in the fourth quarter. Monthly inflation, as measured by the U.S. Consumer Price Index for All Urban Consumers (“CPI-U”) was -0.8%, -1.7% and -0.8% for the months of October, November and December, respectively. These periods will result in negative accretion for the value of U.S. Treasury Inflation Protected Securities (“TIPS”).

Western Asset Management (“Western Asset”), the Fund’s Investment Advisor, believes that U.S. TIPS currently offer attractive real yield levels and protection from long-term inflation. While the current economic environment suggests that deflation is a potential problem, the Fed is actively engaged in preventing this. They have significant power to win the battle against deflation and in unleashing the full capabilities that they possess, it is possible, even likely, that they will force the pendulum in the opposite direction creating inflation. This suggests that TIPS are a good long-term investment today.

Five-year TIPS currently offer a real yield of 1.97% compared to a nominal yield of 1.97%. This suggests that expectations are for inflation to average 0% per year over the next five years. We believe that the market is fairly to modestly over-estimating deflation for the next twelve months and that the market is under-estimating inflation over the next five to ten years.

Connor, Clark & Lunn Real Return Income Fund is invested in a portfolio of real return bonds issued by governments with AAA credit ratings, primarily U.S. TIPS on a leveraged basis. The objectives of the Fund is to provide tax-efficient income that is linked to the rate of U.S. inflation as well as capital preservation. In order to provide diversification, improve net asset value stability, and increase expected returns, up to 20% of the portfolio may be invested in a mix of other assets.

Western Asset is the Fund's Investment Advisor and is responsible for actively managing and making investment decisions with respect to the portfolio. Western Asset is one of the world's premier fixed income managers with offices in Pasadena, New York, London, Tokyo, Singapore, Hong Kong, Melbourne and Sao Paulo.

Connor, Clark & Lunn Capital Markets Inc. (CC&L Capital Markets) is a leading Canadian structured financial products investment firm that is focused on creating and managing high quality investment vehicles

that will stand the test of time and ultimately allow our clients to achieve their personal financial goals. Formed in 2001, CC&L Capital Markets has designed, launched and currently manages fifteen publicly traded investment vehicles, raising more than \$1.3 billion in assets. CC&L Capital Markets is part of the Connor, Clark & Lunn Financial Group, one of Canada's largest and fastest growing asset management firms, responsible for approximately \$30 billion in financial assets through its affiliated investment managers on behalf of institutional, private and retail clients.

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For more information, please visit www.cclcapitalmarkets.com or contact:

Darren Cabral
Vice-President
Connor, Clark & Lunn Capital Markets Inc.
416-214-6182
Toll Free: 1-888-276-2258
dcabral@cclgroup.com