

The Depository Trust Company

IMPORTANT

Revision: Expiration Date extended to 9/28/01

B#: 2404

DATE: September 21, 2001

TO: All Participants

CATEGORY: Dividends

FROM: Nilesh Desai, Supervisor, Dividend Department

ATTENTION: Dividend Managers, Cashiers & Reorganization Managers

SUBJECT: Rights: The Hyperion Total Return Fund, Inc. R/D: 8/27/01
Common CUSIP#: 449145101 Rights CUSIP#: 449145119
Expires: 9/28/01 (5:00 p.m. New York City time)
Rate: one right for each share of common stock held

***** Warning Time Critical *****

The Hyperion Total Return Fund, Inc. (the "Fund") is issuing transferable rights ("Rights") to its shareholders of record ("Record Date Shareholders") as of the close of business on August 27, 2001 (the "Record Date"). Each Shareholder is entitled to receive one Right for each share of common stock ("Common Share") owned on the Record Date.

The Depository Trust Company ("DTC") credited Rights to participants' accounts on August 30, 2001.

THE DIVIDEND POSITION AND ALLOCATION HISTORY (DPAL) OPTION, ACCESSED VIA THE PTS DIVIDEND ANNOUNCEMENTS INQUIRY (DIVA) FUNCTION, SHOULD BE USED TO CONFIRM YOUR RECORD DATE POSITION HISTORY AND PAYMENT INFORMATION.

IT IS IMPORTANT THAT PARTICIPANTS REFER TO THE DTC REORGANIZATION INQUIRY FOR PARTICIPANTS (RIPS CODE 59) FOR INFORMATION REGARDING THE SUBSCRIPTION PRIVILEGE AND SALE OF THE RIGHTS.

If participants have any questions concerning this Important Notice, please contact Mr. Raymond Lew or Mr. John McCarthy of DTC's Stock Dividend Department at (212) 855-4523/4521.

If participants have any questions regarding the Rights Offering, they may contact the Information Agent, Geogeson Shareholder Communications, Inc., at (888) 387-2801.

