

NEWS RELEASE

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PIMCO CLOSED-END FUNDS DECLARE SPECIAL YEAR-END DISTRIBUTION

NEW YORK, NY, December 7, 2018– The Board of Trustees/Directors of the PIMCO closed-end funds (each, a “Fund” and, collectively, the “Funds”) has declared a special year-end distribution for certain Fund’s common shares as summarized below. The distributions are payable on December 21, 2018 to shareholders of record on December 17, 2018, with an ex-dividend date of December 14, 2018. In addition to the regular monthly dividend, this special year-end distribution is being paid to allow the Funds to meet their 2018 distribution requirements for federal excise tax purposes. The Funds’ total distribution will be taxable to shareholders in 2018.

Fund	NYSE Symbol	Distribution Per Share		Total
		Net Income	Long-Term Capital Gains	
PIMCO Corporate & Income Opportunity Fund	(NYSE:PTY)	\$0.07	\$0.00	\$0.07
PIMCO Income Opportunity Fund	(NYSE:PKO)	\$0.37	\$0.00	\$0.37
PIMCO Corporate & Income Strategy Fund	(NYSE:PCN)	\$0.08	\$0.00	\$0.08
PIMCO Income Strategy Fund II	(NYSE:PFN)	\$0.07	\$0.00	\$0.07
PIMCO Dynamic Income Fund	(NYSE:PDI)	\$0.50	\$0.00	\$0.50
PIMCO Dynamic Credit Income Fund	(NYSE:PCI)	\$0.35	\$0.00	\$0.35
PIMCO Municipal Income Fund III	(NYSE:PMX)	\$0.00	\$0.11	\$0.11

Distributions may include ordinary income, net capital gains and/or returns of capital. Generally, a return of capital occurs when the amount distributed by a Fund includes a portion of (or is comprised entirely of) your investment in the Fund in addition to (or rather than) your pro-rata portion of the Fund’s net income or capital gains. A Fund’s distributions in any period may be more or less than the net return earned by the Fund on its investments, and therefore should not be used as a measure of performance or confused with “yield” or “income.” A return of capital is not taxable; rather it reduces a shareholder’s tax basis in his or her shares of the Fund. If a Fund estimates that a portion of its distribution may be comprised of amounts from sources other than net investment income, such Fund will notify shareholders of the estimated composition of such distribution through a separate written notice. Such notices are provided for informational purposes only, and should not be used for tax reporting purposes. Final tax characteristics of all Fund distributions will be provided on Form 1099-DIV, which is mailed after the close of the calendar year.

It is important to note that differences exist between a Fund's daily internal accounting records, a Fund's financial statements prepared in accordance with U.S. GAAP, and recordkeeping practices under income tax regulations. It is possible that a Fund may not issue a Section 19 Notice in situations where the Fund's financial statements prepared later and in accordance with U.S. GAAP or the final tax character of those distributions might later report that the sources of those distributions included capital gains and/or a return of capital. Please see the Fund's most recent shareholder report for more details.

A Fund's distribution rate may be affected by numerous factors, including changes in realized and projected market returns, Fund performance, and other factors. There can be no assurance that a change in market conditions or other factors will not result in a change in a Fund distribution rate at a future time.

Certain Funds may engage in investment strategies, including the use of derivatives, to, among other things, generate current, distributable income, even if such strategies could potentially result in declines in the Fund's net asset value. A Fund's income and gain-generating strategies, including certain derivatives strategies, may generate current income and gains taxable as ordinary income sufficient to support monthly distributions even in situations when the Fund has experienced a decline in net assets due to, for example, adverse changes in the broad U.S. or non-U.S. equity markets or the Fund's debt investments, or arising from its use of derivatives. A Fund may enter into opposite sides of interest rate swap and other derivatives for the principal purpose of generating distributable gains on the one side (characterized as ordinary income for tax purposes) that are not part of the Fund's duration or yield curve management strategies ("paired swap transactions"), with a substantial possibility that the Fund will later realize a corresponding capital loss and potential decline in net asset value with respect to the opposite side transaction (to the extent it does not have corresponding offsetting capital gains). Consequently, common shareholders may receive distributions and owe tax at a time when their investment in the Fund has declined in value, which tax may be at ordinary income rates, and which may be economically similar to a taxable return of capital. The tax treatment of certain derivatives may be open to different interpretations. Any recharacterization of payments made or received by a Fund pursuant to derivatives potentially could affect the amount, timing or character of Fund distributions. In addition, the tax treatment of such investment strategies may be changed by regulation or otherwise.

As with any stock, the price of a Fund's common shares will fluctuate with market conditions and other factors. Shares of closed-end management investment companies frequently trade at a price that is less than (a "discount") or more than (a "premium") their net asset value. If a Fund's shares trade at a premium to net asset value, there is no assurance that any such premium will be sustained for any period of time and will not decrease, or that the shares will not trade at a discount to net asset value thereafter.

The Fund's daily New York Stock Exchange closing market prices, net asset values per share, as well as other information, including updated portfolio statistics and performance are available at pimco.com/closedendfunds or by calling the Fund's shareholder servicing agent at (844) 33-PIMCO. Updated portfolio holdings information about a Fund will be available approximately 15 calendar days after such Fund's most recent fiscal quarter end, and will remain accessible until such Fund files a Form N-Q or a shareholder report for the period which includes the date of the information.

About PIMCO

PIMCO is one of the world's premier fixed income investment managers. With our launch in 1971 in Newport Beach, California, PIMCO introduced investors to a total return approach to fixed income investing. In the 45+ years since, we have continued to bring innovation and expertise to our partnership with clients seeking the best investment solutions. Today we have offices across the globe and 2,150+

professionals united by a single purpose: creating opportunities for investors in every environment. PIMCO is owned by Allianz S.E., a leading global diversified financial services provider.

Except for the historical information and discussions contained herein, statements contained in this news release constitute forward-looking statements. These statements may involve a number of risks, uncertainties and other factors that could cause actual results to differ materially, including the performance of financial markets, the investment performance of PIMCO's sponsored investment products and separately managed accounts, general economic conditions, future acquisitions, competitive conditions and government regulations, including changes in tax laws. Readers should carefully consider such factors. Further, such forward-looking statements speak only on the date at which such statements are made. PIMCO undertakes no obligation to update any forward-looking statements to reflect events or circumstances after the date of such statement.

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