

Pioneer Investments on Closed-End Investing

May 19, 2008

Topic: Update on Leverage and Auction Rate Preferred Securities

Pioneer Investments reiterated today that the firm continues to work toward solutions for shareholders of its closed-end funds affected by the lack of liquidity in the auction rate preferred share (ARPS) market.

Members of the firm's senior management are having ongoing discussions with a range of financial institutions, broker-dealers and other industry participants in an effort to secure alternative means of leverage and resolve this challenging, complex and pressing matter. We continue to examine all alternatives and their impacts on both common and preferred shareholders and are committed to finding a resolution.

We are focusing on those solutions we believe are best suited to meet the needs of each fund in view of the fund's investment strategies. Possible solutions vary depending on the asset class in which a fund invests. Generally, closed-end funds that invest in equity securities or taxable fixed income securities have been more successful in finding alternative financing from financial institutions due to the taxable nature of these securities. On the other hand, closed-end funds investing in municipal bonds have had a more difficult time securing alternative financing given their tax-exempt pass-through requirements. Also, funds that invest specifically in high yield bonds and bank loans have been less successful in finding other means of financing due to their inherent credit quality characteristics.

We are making every effort to resolve the matter as soon as possible. Pioneer's closed-end funds continue to pay distributions in accordance with the terms of the ARPS. Current dividend rates for the preferred shares of the Pioneer closed-end funds remain lower than the earnings rates produced by the funds' portfolios of securities, indicating that leverage is still an effective strategy. Also, the preferred shares of all of the Pioneer closed-end funds continue to be rated AAA/Aaa by both Moody's and Fitch.

For more information:

For updated monthly interest rates payable to each of Pioneer Investments' closed end funds, visit www.pioneerinvestments.com.

Closed-end funds, unlike open-end funds, are not continuously offered. Once issued, shares of closed-end funds are sold in the open market through a stock exchange and frequently trade at prices lower than their net asset values. Net Asset Value (NAV) is total assets less total liabilities, which includes preferred shares, divided by the number of common shares outstanding.