

# PRESS RELEASE



## FOR IMMEDIATE RELEASE

August 29, 2008

### Pioneer Municipal and Equity Income Trust (NYSE: PBF)

#### Required Notice to Shareholders - Sources of Distribution under Section 19(a)

**Boston, Massachusetts** – Pioneer Municipal and Equity Income Trust (NYSE: PBF) today reported sources of distribution for this fiscal year to date from the following sources: Net Investment Income; Net Realized Short-Term Capital Gains; Net Realized Long-Term Capital Gains; or Return of Capital. All amounts are expressed per common share.

Distribution Period **August 2008**

Distribution Amount Per Share **\$0.1120**

The following table sets forth estimates of the character of the current distribution and the cumulative distributions paid this fiscal year to date from the following sources: Net Investment Income; Net Realized Short-Term Capital Gains; Net Realized Long-Term Capital Gains or Return of Capital. All amounts are expressed per common share.

	Current Distribution	Percentage Make up of Current Distribution	Total Cumulative Distributions Fiscal Year to Date	Percentage Make up of Total Cumulative Distributions Fiscal Year to Date
Net Investment Income	\$0.0480	42.9%	\$0.5084	50.4%
Net Realized Short-Term Capital Gains	\$0.0000	0.0%	\$0.0000	0.0%
Net Realized Long-Term Capital Gains	\$0.0000	0.0%	\$0.0000	0.0%
Return of Capital	\$0.0640	57.1%	\$0.4996	49.6%
Total per Common Share	\$0.1120	100.0%	\$1.0080	100.0%

#### At Net Asset Value (NAV)

	Distribution Rate	Tax-Equivalent Distribution Rate(a)
Annualized current distribution rate expressed as a percentage of NAV as of July 31, 2008	11.10%	16.07%
Cumulative fiscal year distribution rate expressed as a percentage of NAV as of July 31, 2008	8.32%	12.05%
	Return	
Average annual total return at NAV for the life of the fund as of July 31, 2008	2.92%	
Cumulative total return at NAV for the fiscal year through July 31, 2008	-12.31%	

#### At Market Price

	Distribution Rate	Tax-Equivalent Distribution Rate(a)
Annualized current distribution rate expressed as a percentage of Market Price as of July 31, 2008	11.53%	16.69%
Cumulative fiscal year distribution rate expressed as a percentage of Market Price as of July 31, 2008	8.64%	12.52%
	Return	
Average annual total return at Market Price for the life of the fund as of July 31, 2008	1.03%	
Cumulative total return at Market Price for the fiscal year through July 31, 2008	-6.69%	

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## Notes

The fund currently has a level distribution policy, which is intended to provide investors with a relatively stable monthly distribution. The level distribution policy is subject to regular review by the Board of Trustees to determine whether it continues to be in the best interests of the fund and its shareholders. There can be no assurance that this policy will be maintained in the future or maintained at its current level.

Investors should not necessarily draw any conclusions about the fund's investment performance from the amount of this distribution or from the terms of the fund's level distribution policy.

The fund estimates that a portion of the distribution does not represent income or realized capital gains. Therefore, such portion of the distribution may be a return of capital. A return of capital may occur when some or all of the money invested in the fund is returned to the investor. A return of capital distribution does not necessarily reflect the fund's investment performance and should not be considered "yield" or "income."

The amounts and sources of distributions reported under the notice are only estimates and are not being provided for tax reporting purposes. The actual amounts and sources for tax reporting purposes will depend upon the fund's investment experience during the remainder of its fiscal year and may be subject to change based on tax regulations. The fund will provide investors with a Form(s) 1099 for the calendar year that explains how to report these distributions for federal income tax purposes.

(a) Tax-Equivalent Distribution Rate is computed using an estimated effective tax rate based on the sources of the fund's distributions as of 6/30/2008.

*Closed-end funds, unlike open-end funds, are not continuously offered. There is a one-time public offering and once issued, shares of closed-end funds are bought and 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 divided by the number of common shares outstanding.*

*For more information on Pioneer's closed-end funds, please visit our closed-end fund pages at [pioneerinvestments.com](http://pioneerinvestments.com).*

Shareholder Inquiries:

Please contact your financial advisor or visit  
[www.pioneerinvestments.com](http://www.pioneerinvestments.com)

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