

PREMIUM INCOME CORPORATION

PREMIUM INCOME CORPORATION ANNOUNCES QUARTERLY DISTRIBUTION

Toronto, Ontario, July 3, 2013 – (TSX: PIC.A; PIC.PR.A) Premium Income Corporation has declared quarterly distributions payable on July 31, 2013 to shareholders of record on July 15, 2013, ex-dividend date of July 11, 2013, in the following amounts per share:

<u>Share Class</u>	<u>Ticker</u>	<u>Amount Per Share</u>
Class A Shares	PIC.A	\$0.20319
Preferred Shares	PIC.PR.A	\$0.215625

To the extent that any portion of the distributions are ordinary taxable dividends and not capital gains dividends, they will be eligible dividends.

For further information, please contact Investor Relations at 416.681.3966, toll free at 1.800.725.7172 or visit www.strathbridge.com

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Commissions, trailing commissions, management fees and expenses all may be associated with investment funds. Please read the prospectus before investing. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated.