

NEWS RELEASE

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PIMCO MUNICIPAL CLOSED-END FUNDS ANNOUNCE CHANGES TO NON-FUNDAMENTAL INVESTMENT POLICIES

NEW YORK, NY, December 4, 2020 – PIMCO California Municipal Income Fund (NYSE: PCQ), PIMCO California Municipal Income Fund II (NYSE: PCK), PIMCO California Municipal Income Fund III (NYSE: PZC), PIMCO Municipal Income Fund (NYSE: PMF), PIMCO Municipal Income Fund II (NYSE: PML), PIMCO Municipal Income Fund III (NYSE: PMX), PIMCO New York Municipal Income Fund (NYSE: PNF), PIMCO New York Municipal Income Fund II (NYSE: PNI) and PIMCO New York Municipal Income Fund III (NYSE: PYN) (each a “Fund” and, together, the “Funds”) announced that, effective February 2, 2021, each fund will revise its non-fundamental investment policies such that each Fund (i) may invest up to 20% of its total assets in securities that generate income subject to the federal alternative minimum tax (“AMT Bonds”) (the “AMT Policy Revision”) and (ii) may invest up to 20% of its net assets in municipal bonds that are rated Ba or B or lower by Moody’s Investors Service, Inc. (“Moody’s”) or BB or B or lower by S&P Global Ratings (“S&P”) or Fitch, Inc. (“Fitch”), or that are unrated but determined to be of comparable quality by PIMCO Investment Management Company, LLC (“PIMCO”) (the “Lower-Rated Investments Policy Revision”), as described in further detail below.

Each Fund will effect the AMT Policy Revision by amending and restating its non-fundamental investment policies as follows, effective February 2, 2021:

Fund	Current Policy	Amended Policy Effective February 2, 2021
PCQ, PCK and PZC	Under normal market conditions, the Fund will invest substantially all (at least 90%) of its net assets in municipal bonds which pay interest that, in the opinion of bond counsel to the issuer (or on the basis of other authority believed by the Fund’s portfolio manager to be reliable), is exempt from federal and California income taxes. The Fund will [at all times] ¹ seek to avoid bonds generating interest potentially subjecting individuals to the alternative minimum tax.	Under normal circumstances, the Fund will invest at least 90% of its net assets in municipal bonds which pay interest that, in the opinion of bond counsel to the issuer (or on the basis of other authority believed by the Fund's portfolio manager to be reliable), is exempt from regular federal and California income taxes (i.e., excluded from gross income for federal and California income tax purposes but not necessarily exempt from the federal alternative minimum tax). Subject to its other investment policies, the Fund may invest up to 20% of its total assets in investments the interest from which is subject to the federal alternative minimum tax.
PMF, PML and PMX	Under normal market conditions, the Fund expects to be fully invested (at least 90% of its	Under normal circumstances, the Fund expects to invest at least 90% of its net assets in

¹ The bracketed language does not apply to PCQ, PMF or PNF.

	net assets) in tax-exempt municipal bonds. The Fund will [at all times] ¹ seek to avoid bonds generating interest potentially subjecting individuals to the alternative minimum tax.	municipal bonds which pay interest that, in the opinion of bond counsel to the issuer (or on the basis of other authority believed by the Fund's portfolio manager to be reliable), is exempt from regular federal income taxes (i.e., excluded from gross income for federal income tax purposes but not necessarily exempt from the federal alternative minimum tax). Subject to its other investment policies, the Fund may invest up to 20% of its total assets in investments the interest from which is subject to the federal alternative minimum tax.
PNF, PNI and PYN	Under normal market conditions, the Fund will invest substantially all (at least 90%) of its net assets in municipal bonds which pay interest that, in the opinion of bond counsel to the issuer (or on the basis of other authority believed by the Fund's portfolio manager to be reliable) is exempt from federal, New York State and New York City income taxes. The Fund will [at all times] ¹ seek to avoid bonds generating interest potentially subjecting individuals to the alternative minimum tax.	Under normal circumstances, the Fund will invest at least 90% of its net assets in municipal bonds which pay interest that, in the opinion of bond counsel to the issuer (or on the basis of other authority believed by the Fund's portfolio manager to be reliable) is exempt from regular federal, New York State and New York City income taxes (i.e., excluded from gross income for federal, New York State and New York City income tax purposes but not necessarily exempt from the federal alternative minimum tax). Subject to its other investment policies, the Fund may invest up to 20% of its total assets in investments the interest from which is subject to the federal alternative minimum tax.

Each Fund will effect the Lower-Rated Investments Policy Revision by amending and restating its non-fundamental investment policies as follows, effective February 2, 2021:

Fund	Current Policy	Amended Policy Effective February 2, 2021
PCQ, PCK, PZC, PMF, PML, PMX, PNF, PNI and PYN	The Fund may invest up to 20% of its net assets in municipal bonds that are rated Ba/BB or B or that are unrated but judged to be of comparable quality by the Fund's portfolio manager.	The Fund may invest up to 20% of its net assets in municipal bonds that are rated Ba/BB or B or lower or that are unrated but determined to be of comparable quality by PIMCO.

PIMCO, each Fund's investment manager, recommended the proposed changes to the Fund's Board of Trustees as being in the best interests of each Fund. PIMCO believes these policy revisions will provide each Fund with the increased flexibility to invest in AMT Bonds and non-investment grade securities and accordingly, greater access to potentially attractive investment opportunities.

Investments by the Funds in AMT Bonds may expose the Funds to certain risks in addition to those typically associated with municipal bonds. Interest or principal on AMT Bonds paid out of current or anticipated revenues from a specific project or specific asset may be adversely impacted by

declines in revenue from the project or asset. Declines in general business activity could also affect the economic viability of facilities that are the sole source of revenue to support AMT Bonds. In this regard, AMT Bonds may entail greater risks than general obligation municipal bonds. For shareholders subject to the federal alternative minimum tax, a portion of a Fund's distributions may not be exempt from gross federal income, which may give rise to alternative minimum tax liability.

Investments by the Funds in lower-rated securities, including high yield securities, may cause the Funds to be exposed to increased risks associated with such securities, including but not limited to, an issuer's inability to make timely principal and interest payments and higher risk of default. Lower-rated securities may fluctuate more widely in price and yield and may fall in price during times when the economy is weak or is expected to become weak. These securities also may require a greater degree of judgment to establish a price and may be difficult to sell at the time and price a Fund desires. Issuers of securities that are in default or have defaulted may fail to resume principal or interest payments, in which case a Fund may lose its entire investment. The creditworthiness of issuers of these securities may be more complex to analyze than that of issuers of investment grade debt securities, and the overreliance on credit ratings may present additional risks. In addition to the risks inherent in lower-rated securities, for purposes of weekly asset coverage testing required for the Funds' outstanding auction rate preferred shares, the lower-rated securities may be discounted more than higher-rated securities.

A discussion of the Funds' investment strategies and associated risks will be included in the Funds' next annual report to shareholders for the year ending December 31, 2020.

The Funds' 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 Funds' 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-PORT or a shareholder report for the period which includes the date of the information.

About PIMCO

PIMCO was founded in 1971 in Newport Beach, California and is one of the world's premier fixed income investment managers. Today we have offices across the globe and 2,800+ 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 statements.

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